

Press Release

Agarwal TMT Industries Private Limited

07 March, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 42.80 Cr. #
Long Term Rating	SMERA B+ Issuer not co-operating*
Short Term Rating	SMERA A4 Issuer not co-operating*

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

SMERA has reviewed long-term rating of '**SMERA B+**'(read as SMERA B plus) and short term rating of '**SMERA A4**'(read as SMERA A four) on the Rs42.80crore bank facilities of Agarwal TMT Industries Private Limited (ATIPL). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower

SMERA has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Default Recognition - <https://www.smerra.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.smerra.in/criteria-fin-ratios.htm>
- Manufacturing Entities - <https://www.smerra.in/criteria-manufacturing.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). SMERA endeavoured to gather information about the entity/industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity

ATIPL was incorporated in May 2012 by Mr. Rajan Jain, Mr. Sandip Agarwal, Mr. Sanjay Bindal and Mr. Pradeep Dhandharia. The company commenced commercial operations from February 2015 to manufacture TMT bars at Ahmedabad, Gujarat. The company has an installed capacity of 120,000 tonnes per annum and it currently operates at 90 per cent capacity.

About the Rated Entity Financial

	Unit	FY16(Actual)	FY15 (Actual)	FY14 (Actual)
Operating Income	Rs. Cr.	181.30	7.95	-
EBITDA	Rs. Cr.	4.38	0.02	(0.08)
PAT	Rs. Cr.	(4.37)	(1.16)	-
EBITDA Margin	(%)	2.42	0.24	-
PAT Margin	(%)	(2.41)	(14.64)	-
ROCE (%)	(%)	0.84	(14.74)	12.97
Total Debt/Tangible Net Worth	Times	2.86	2.39	1.21
PBDIT/Interest	Times	1.05	0.15	1.03
Total Debt/PBDIT	Times	7.92	61.03	7.15
Gross Current Assets (Days)	Days	64	110	-

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
24-January-2017	Cash Credit	Long Term	INR 20.00	SMERA B+/ Stable (Reaffirmed)
	Term Loan	Long Term	INR 22.00	SMERA B+/ Stable (Reaffirmed)
	Bank Guarantee	Short Term	INR 0.80	SMERA A4 (Reaffirmed)
01-December-2015	Cash Credit	Long Term	INR 20.00	SMERA B+/ Stable (Upgraded)
	Term Loan	Long Term	INR 22.00	SMERA B+/ Stable(Upgraded)
	Bank Guarantee	Short Term	INR 0.80	SMERA A4 (Reaffirmed)
16-September-2014	Cash Credit	Long Term	INR 20.00	SMERA B/ Stable (Assigned)
	Term Loan	Long Term	INR 22.00	SMERA B/ Stable (Assigned)
	Bank Guarantee	Short Term	INR 0.80	SMERA A4 (Assigned)

#Annexure - Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	INR 20.00	SMERA B+ Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	INR 22.00	SMERA B+ Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	INR 0.80	SMERA A4 Issuer not co-operating*

*The issuer did not co-operate; Based on best available information.

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ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, D&B and leading public and private sector banks in India. SMERA is registered with SEBI, accredited by RBI as an External Credit Assessment Institution (ECAI), under BASEL-II norms for undertaking Bank Loan Ratings. SMERA Bond Ratings is a division of SMERA Ratings Limited responsible for ratings of bank facilities, and capital market/money market debt instruments such as Bonds, Debentures, Commercial Papers, Fixed Deposits, Certificate of Deposit etc.. For more details, please visit www.smera.in.

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