

Press Release

Brahmaputra Metalics Limited

September 11, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 325.95 Cr.
Long Term Rating (Indicative)	ACUITE D Issuer not co-operating*
Short Term Rating (Indicative)	ACUITE D Issuer not co-operating*

Refer Annexure for details

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

Rating Rationale

Acuite` has reviewed long-term rating of '**D**' (**read as ACUITE D**) and short-term rating of '**ACUITE D**' (**read as ACUITE D**) on the Rs. 325.95 crore bank facilities of Brahmaputra Metalics Limited. This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower:

Acuite` 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 the due date.

Any Other Information: Acuite` is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm> □
- Manufacturing Entities - <https://www.acuite.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). Acuite` endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite` cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

Brahmaputra Metalics Limited (BML), incorporated in 2006, is a Guwahati-based company engaged in the manufacturing of sponge iron and mild steel billets at Ramgarh (Jharkhand). The installed capacity stands at 1,05,000 tonnes per annum for sponge iron and 1,58,400 tonnes per annum for billets. The company also has a 20 MW captive power plant. The directors of the company include Mr. Bajrang Lohia, Mr. Kaushik Agarwal and Mr. Santosh Kumar Jaiswal

For FY2015-16, BML reported losses of Rs. (12.19) crore on operating income of Rs.288.01 crore as compared with losses of Rs. (35.03) crore on operating income of Rs.312.87 crore for FY2014-15. The net worth as on 31 March, 2016 stood at Rs.41.47 crore as against Rs. 53.67 crore as on 31 March, 2015.

Rating History for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
17nd July-2017	Term Loan	Long Term	210.09	ACUITE D (Downgraded from ACUITE B-/Stable)
	Cash Credit	Long Term	44.49	ACUITE D (Downgraded from ACUITE B-/Stable)
	Proposed Term Loan	Long Term	26.51	ACUITE D (Downgraded from ACUITE B-/Stable)
	Letter of Credit	Short Term	44.86	ACUITE D (Downgraded ACUITE A4)
14th March'2016	Term Loan	Long Term	170.56	ACUITE B-/Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	31.88	ACUITE B-/Stable (Reaffirmed)
	Term Loan	Long Term	34.16	ACUITE B-/Stable (Reaffirmed)
	Cash Credit	Long Term	44.49	ACUITE B-/Stable (Reaffirmed)
	Letter of Credit	Short Term	44.86	ACUITE A4 (Reaffirmed)
27th July'15	Term Loan	Long Term	170.56	ACUITE B-/Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	31.88	ACUITE B-/Stable (Reaffirmed)
	Term Loan	Long Term	34.16	ACUITE B-/Stable (Reaffirmed)
	Cash Credit	Long Term	44.49	ACUITE B-/Stable (Reaffirmed)
	Letter of Credit	Short Term	44.86	ACUITE A4 (Reaffirmed)
14th April'15	Term Loan	Long Term	170.56	ACUITE B-/Stable (Assigned)
	Working Capital Term Loan	Long Term	31.88	ACUITE B-/Stable (Assigned)
	Term Loan	Long Term	34.16	ACUITE B-/Stable (Assigned)
	Cash Credit	Long Term	43.66	ACUITE B-/Stable (Assigned)
	Letter of Credit	Short Term	44.86	ACUITE A4 (Assigned)

Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Term Loan	Not Applicable	Not Applicable	Not Applicable	210.09	ACUITE D (Indicative)
Cash Credit	Not Applicable	Not Applicable	Not Applicable	44.49	ACUITE D (Indicative)
Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	26.51	ACUITE D (Indicative)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	44.86	ACUITE D (Indicative)

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

Contacts

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About Acuite Ratings & Research:

Acuite Ratings & Research Limited (erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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