

Press Release

Brahmaputra Metallics Limited

December 04, 2019



Rating Update

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

#Refer Annexure for details

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

Acuité has reviewed long-term rating of '**ACUITE 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 Metallics Limited. This rating is now an indicative rating and is based on best available information.

Brahmaputra Metallics 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.

Non-cooperation by the issuer/borrower:

Acuité 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 Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.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). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest Financial Statements despite repeated attempts.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
11-Sep-2018	Term Loans	Long Term	210.09	ACUITE D Issuer not co-operating*
	Cash Credit	Long Term	44.49	ACUITE D Issuer not co-operating*
	Proposed Term Loan	Long Term	26.51	ACUITE D Issuer not co-operating*
	Letter of Credit	Short Term	44.86	ACUITE D Issuer not co-operating*
17-Jul-2017	Term Loans	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 from ACUITE A4)
14-Mar-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)

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

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Term Loans	Not Applicable	Not Applicable	Not Applicable	210.09	ACUITE D Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	44.49	ACUITE D Issuer not co-operating*
Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	26.51	ACUITE D Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	44.86	ACUITE D Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Pooja Ghosh Head- Corporate and Infrastructure Sector Ratings Tel: 033-6620 1203 pooja.ghosh@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in
Priyanka Rathi Analyst - Rating Operations Tel: 033-6620-1210 priyanka.rathi@acuite.in	

About Acuité Ratings & Research:

Acuité 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.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.