

### Annam Steels: Downgraded

Facility	Amount (Rs. Crore)	Rating/Outlook
Working Capital Demand Loan	42.75	SMERA D (Downgraded from SMERA B/Stable)

SMERA has downgraded the rating on the Rs.42.75 crore bank facility of Annam Steels (AS) to '**SMERA D' (read as SMERA D)**' from '**'SMERA B' (read as SMERA B)**'. The rating reflects delays in servicing of debt by the firm.

#### Rating Sensitivity Factors

- Curing of default

#### Criteria applied to arrive at the ratings:

- Trading Entities

#### About the Company

AS, established in 1990, is a Chennai-based partnership firm promoted by Mr. Vijayakumar. The firm is a scrap dealer, and is currently engaged in the process of dismantling of plant and selling of scrap from NGEF Ltd.

In FY2013-14, the firm reported profit after tax (PAT) of Rs.0.08 crore on operating income of Rs.10.47 crore against PAT of Rs.0.16 crore on operating income of Rs.10.11 crore for FY2012-13. For FY2014-15, the firm reported PAT of Rs.0.17 crore (provisional) on operating income of Rs.10.41 crore.

#### Rating History

Date	Facilities	Amount (Rs. Crore)	Rating		Rating Outlook
			Long Term	Short Term	
11 September, 2015	Working Capital Demand Loan	42.75	SMERA B (Assigned)	-	Stable

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