

## Press Release

Aryavrata Steel Private Limited

March 24, 2022



### Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	1.50	-	ACUITE A4+   Reaffirmed   Issuer not co-operating*
Bank Loan Ratings	13.50	ACUITE BB-   Downgraded   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	15.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) and reaffirmed the short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.15.00 crore bank facilities of Aryavrata Steel Private Limited (ASPL). The rating continues to be an indicative rating and is based on the best available information. The downgrade is based on information risk.

### About the Company

ASPL, incorporated in 2003 is engaged in manufacturing of sponge iron at Jhargam, West Bengal. The company also trades in coal and iron ore. The company is promoted by Mr. Ashok Kumar Patwari and has an installed capacity of 120 TPD. ASPL operates in West Bengal, Orissa and Jharkand.

### 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.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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

### 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 - Key Financials

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

## Rating Sensitivity

No information provided by the issuer / available for Acuité to comment upon.

## Material Covenants

Not Available

## Liquidity Position

No information provided by the issuer / available for Acuité to comment upon.

## Outlook

Not Available

## Status of non-cooperation with previous CRA

Not Applicable

## Any other information

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

## Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

## Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
23 Dec 2020	Bank Guarantee	Short Term	1.50	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	13.50	ACUITE BB (Downgraded and Issuer not co-operating*)
14 Oct 2019	Bank Guarantee	Short Term	1.50	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	13.50	ACUITE BB+   Stable (Reaffirmed)
24 Apr 2019	Proposed Cash Credit	Long Term	13.00	ACUITE BB+ (Issuer not co-operating*)
	Proposed Letter of Credit	Short Term	2.00	ACUITE A4+ (Issuer not co-operating*)
12 Mar 2018	Proposed Cash Credit	Long Term	13.00	ACUITE BB+ (Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	2.00	ACUITE A4+ (Issuer not co-operating*)
21 Nov 2016	Proposed Cash Credit	Long Term	13.00	ACUITE BB+   Stable (Assigned)
	Proposed Bank Guarantee	Short Term	2.00	ACUITE A4+ (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Indusind Bank Ltd	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE A4+   Reaffirmed   Issuer not co-operating*
Indusind Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	13.50	ACUITE BB-   Downgraded   Issuer not co-operating* (from ACUITE BB)

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### About Acuité Ratings & Research

Acuité Ratings & Research 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 8,850 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 Kanjurmarg, Mumbai.

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