

Press Release

Ashutosh Metal Private Limited

February 12, 2020

Rating Withdrawn



Total Bank Facilities Rated*	Rs.14.00 crore
Long Term Rating	ACUITE BB+ (Withdrawn)
Short Term Rating	ACUITE A4+ (Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuité has withdrawn the long-term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) and short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.14.00 crore bank facilities of ASHUTOSH METAL PRIVATE LIMITED (AMPL).

The rating is withdrawn on account of withdrawal request received from the company and No Objection Certificate received from the banker. The rating withdrawal is in accordance with Acuité's policy on withdrawal of rating.

The Mumbai-based AMPL, incorporated in 1999 by Mr. Chandrakant is engaged in the production of stainless steel ingots and flats used in the manufacture of household utensils, S.S. pipes, furniture etc at Ahmedabad, Gujarat. The installed capacity stands at 700 tons per month.

Analytical Approach

For analytical purposes, Acuité has considered the consolidated business and financial risk profile of AMPL and ASWPL, together referred to as 'Ashutosh Group'. Acuité has adopted a consolidated approach on account of the financial linkages, common management and holding and holding subsidiary relationship. Extent of consolidation: Full.

About the Rated Entity - Key Financials

	Unit	FY19 (Actual)	FY18 (Actual)
Operating Income	Rs. Cr.	332.41	186.93
PAT	Rs. Cr.	2.18	1.38
PAT Margin	(%)	0.66	0.74
Total Debt/Tangible Net Worth	Times	1.21	0.57
PBDIT/Interest	Times	4.19	3.26

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

Not Applicable

Any other information

None

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Entities in Manufacturing Sector - <https://www.acuite.in/view-rating-criteria-51.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Up to last three years)

Date	Name of the instrument/facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
March 29, 2019	Cash Credit	Long term	12.00*	ACUITE BB+/Stable (Downgraded from ACUITE BBB-/Stable)
	Proposed Cash Credit	Long term	0.75	ACUITE BB+/Stable (Downgraded from ACUITE BBB-/Stable)
	Bank Guarantee	Short term	1.25	ACUITE A4+ (Downgraded from ACUITE A3)
January 18, 2018	Cash Credit	Long term	12.00*	ACUITE BBB-/Stable (Assigned)
	Proposed Cash Credit	Long term	0.75	ACUITE BBB-/Stable (Assigned)
	Bank Guarantee	Short term	1.25	ACUITE A3 (Assigned)

*Sublimit of LC is Rs.1.50 Crore

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	12.00*	ACUITE BB+ (Withdrawn)
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	0.75	ACUITE BB+ (Withdrawn)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	1.25	ACUITE A4+ (Withdrawn)

*Sublimit of LC is Rs.1.50 Crore

Contacts

Analytical	Rating Desk
Aditya Gupta Head- Corporate and Infrastructure Sector Ratings Tel: 022-49294041 aditya.gupta@acuite.in Kumar Abhisek Ratings Analyst - Rating Operations Tel: 011-49731308 kumar.abhisek@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in

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.

Disclaimer: An Acuite 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. Acuite 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, Acuite, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuite 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. Acuite 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 Acuite.