



**Press Release**  
**ASR Met Tech Private Limited**  
**September 08, 2023**

**Rating Reaffirmed and Issuer not co-operating**

| Product                                       | Quantum<br>(Rs. Cr) | Long Term Rating                                      | Short Term<br>Rating |
|---|---------------------|---|----------------------|
| Bank Loan Ratings                             | 20.00               | ACUITE BB+   Reaffirmed   Issuer not<br>co-operating* | -                    |
| <b>Total Outstanding<br/>Quantum (Rs. Cr)</b> | 20.00               | -   | -                    |

**Rating Rationale**

Acuite has reaffirmed the long-term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) on the Rs.20.00 crore bank facilities of ASR Met Tech Private Limited (AMTPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

**About the Company**

ASR Met Tech Private Limited (AMTPL) established in 2013, is an Ahmedabad based manufacturing company for stainless steel, seamless pipes and tubes. The company is promoted by ASR Group, which has established presence in steel industry. The day to day operations are managed by Mr. Arun Aggarwal and Mr. Ajatshatru Aggarwal. The commercial production of seamless pipe and tubes has started from April 2016 onwards. The company has production capacity of 6000 MTPA and testing facilities at Ahmedabad. The product portfolio includes pipes having an outer diameter (OD) ranging from 6 mm to 114 mm and thickness of 0.5 mm to 6 mm.

**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 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 endeavoured 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 ratings based.



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

**All Covenants**

None

**Liquidity Position**

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

**Outlook**

Not Applicable

**Other Factors affecting Rating**

Not Applicable

## Key Financials

| Particulars                   | Unit    | FY 21 (Actual) | FY 20 (Actual) |
|-------------------------------|---------|----------------|----------------|
| Operating Income              | Rs. Cr. | 36.54          | 50.47          |
| PAT                           | Rs. Cr. | 4.68           | 5.13           |
| PAT Margin                    | (%)     | 12.81          | 10.17          |
| Total Debt/Tangible Net Worth | Times   | 6.58           | 1.28           |
| PBDIT/Interest                | Times   | 25.42          | 27.53          |

### 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

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

| Date        | Name of Instruments/Facilities | Term      | Amount (Rs. Cr) | Rating/Outlook                                       |
|-------------|--------------------------------|-----------|-----------------|--|
| 17 Jun 2022 | Packing Credit                 | Long Term | 15.00           | ACUITE BB+ (Downgraded and Issuer not co-operating*) |
|             | Proposed Term Loan             | Long Term | 5.00            | ACUITE BB+ (Downgraded and Issuer not co-operating*) |
| 25 Mar 2021 | Packing Credit                 | Long Term | 15.00           | ACUITE BBB-   Stable (Assigned)                      |
|             | Proposed Term Loan             | Long Term | 5.00            | ACUITE BBB-   Stable (Assigned)                      |

## Annexure - Details of instruments rated

| Lender's Name  | ISIN           | Facilities              | Date Of Issuance | Coupon Rate    | Maturity Date  | Complexity Level | Quantum (Rs. Cr.) | Rating   |
|----------------|----------------|-------------------------|------------------|----------------|----------------|------------------|-------------------|--|
| Canara Bank    | Not Applicable | PC/PCFC                 | Not Applicable   | Not Applicable | Not Applicable | Simple           | 15.00             | ACUITE BB+   Reaffirmed   Issuer not co-operating* |
| Not Applicable | Not Applicable | Proposed Long Term Loan | Not Applicable   | Not Applicable | Not Applicable | Simple           | 5.00              | ACUITE BB+   Reaffirmed   Issuer not co-operating* |

## Contacts

| Analytical  | Rating Desk  |
|---|--|
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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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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