

Ashiana Manufacturing India Limited

April 08, 2022

Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	32.87	CARE BB; Stable; ISSUER NOT COOPERATING* (Double B; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	0.01	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING* (Double B; Outlook: Stable/ A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	3.30	CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Facilities	36.18 (Rs. Thirty-Six Crore and Eighteen Lakhs Only)		

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated January 29, 2021, placed the rating(s) of Ashiana Manufacturing India Limited (AMIL) under the 'issuer non-cooperating' category as AMIL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. AMIL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 15, 2021, December 25, 2021, January 04, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

Please refer to PR dated [January 29, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

Ashiana Manufacturing India Ltd. (AMIL) was incorporated in 1995 by Mr. Neeraj Kumar Jain and his family. Till May, 2016 Mr. Neeraj Kumar Jain and Naresh Chand Jain were managing Ashiana Ispat Pvt. Ltd. (AIPL) and AMIL. Post that, Mr. Neeraj Kumar Jain started looking after AMIL independently while AIPL is managed by Mr. Naresh Chand Jain. AMIL is engaged in the business of manufacturing and selling of TMT bars from ingots and billets. AMIL's manufacturing unit is located in Bhiwadi, Rajasthan with installed capacity of 1,80,000 MTPA. AMIL sells of its products across 3 states in India and the distribution channel is managed by KDL.

Brief Financials (Rs. crore)	FY20(A)	FY21(A)	FY22(Prov.)
Total operating income	433.60	391.67	NA
PBILDT	-2.32	11.91	NA
PAT	-6.55	3.35	NA
Overall gearing (times)	2.17	2.24	NA
Interest coverage (times)	NM	2.28	NA

A - Audited, Prov. Provisional, NA – Not Available, NM – Not Meaningful

¹Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE's publications

*Issuer did not cooperate; Based on best available information

Status of non-cooperation with previous CRA: Brickwork Ratings has conducted the review and has classified Ashiana Manufacturing India Limited as "Not Cooperating" vide its press release dated August 06, 2021

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Please refer Annexure 3

Complexity level of various instruments rated for this Company: Please refer Annexure 4

Annexure-1: Details of Instruments/ Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	22.00	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	September 2024	10.87	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based - ST-Working Capital Demand loan		-	-	-	3.30	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - LT/ ST-Bank Guarantee		-	-	-	0.01	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	22.00	CARE BB; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (29-Jan-21)	1)CARE BBB-; Stable (09-Mar-20)
2	Fund-based - LT-Term Loan	LT	10.87	CARE BB; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (29-Jan-21)	1)CARE BBB-; Stable (09-Mar-20)
3	Fund-based - ST-Working Capital Demand loan	ST	3.30	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (29-Jan-21)	1)CARE A3 (09-Mar-20)
4	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	0.01	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING* (29-Jan-21)	1)CARE BBB-; Stable / CARE A3 (09-Mar-20)

*Issuer did not cooperate; based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities - Not Applicable

Annexure 4: Complexity level of various instruments rated for this Company

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Fund-based - ST-Working Capital Demand loan	Simple
4	Non-fund-based - LT/ ST-Bank Guarantee	Simple

Annexure 5: Bank Lender Details for this Company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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