

Fusion Building Materials (Vizag) Private Limited

January 11, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	17.00	CARE B; Stable; ISSUER NOT COOPERATING* (Single B; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	17.00 (Rs. Seventeen Core Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated December 30, 2020, placed the rating(s) of Fusion Building Materials (Vizag) Private Limited (FBMPL) under the 'issuer non-cooperating' category as FBMPL 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. FBMPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated November 20, 2021, November 30, 2021, December 10, 2021.

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 [December 30, 2020](#)

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

Fusion Building Materials (Vizag) Private Limited (FBMPL) was incorporated on November 20, 2017 by Dr. Suresh Babu Sadineni (Managing Director) and Ms. Ramanamma Sadineni. The company is primarily engaged in manufacturing of Autoclaved Aerated Concrete (ACC) Blocks of various dimensions and sizes and the same is sold under the brand name 'Fusion Blocks'. The company has set up its manufacturing unit with an installed capacity of 1,00,000 Cubic Meter (M3) per annum at Yerravaram village line, near Visakhapatnam, Andhra Pradesh which commenced operation from August 01, 2019.

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021(A)	9MFY22(Prov.)
Total operating income	6.37	NA	NA
PBILDT	2.84	NA	NA
PAT	-0.86	NA	NA
Overall gearing (times)	3.16	NA	NA
Interest coverage (times)	1.78	NA	NA

A: Audited; Prov: Provisional; NA: Not Available

Status of non-cooperation with previous CRA: Not Available

Any other information: Not Applicable

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

Covenants of rated instrument/facility: Annexure -3

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

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

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-Term Loan		-	-	September 2026	15.00	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	2.00	CARE B; Stable; 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 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-Term Loan	LT	15.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (30-Dec-20)	1)CARE BB-; Stable (14-Nov-19)	1)CARE B+; Stable (27-Sep-18)
2	Fund-based - LT-Cash Credit	LT	2.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (30-Dec-20)	1)CARE BB-; Stable (14-Nov-19)	1)CARE B+; Stable (27-Sep-18)

*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

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:

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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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