

RATING RATIONALE

20 May 2021

ABDUL KALAM AZAD

Brickwork Ratings has downgraded/reaffirmed the ratings for the Bank Loan Facilities of Rs. 21.00 Crs. of the Abdul Kalam Azad based on best available information, as the issuer did not cooperate.

Facilities**	Amount (Rs.Crs)		Tenure	Rating#	
	Previous	Present		Previous (February, 2020)	Present
Fund based	8.00	8.00	Long Term	BWR BB- Stable Reaffirmed	BWR B+ Stable Issuer Not Cooperating* Downgrade
Non Fund Based	13.00	13.00	Short Term	BWR A4 Reaffirmed	BWR A4 Issuer Not Cooperating* Reaffirm
Total	21.00	21.00	Rs. 21.00 Crore (Rupees Twenty One Crores Only)		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

* Issuer did not cooperate, based on best available information.

Not Reviewed the outstanding rating of BWR BB-(Stable)/A4 on 11th February 2021

Initial Rating of BWR B+/Stable was assigned on 25th January 2016

**Details of Bank facilities are provided in Annexure-I

Ratings downgraded and migrated to ISSUER NOT COOPERATING* category

NATURE OF NON-COOPERATION

The ratings were due for a review in February 2021. Brickwork Ratings (BWR) took up the entity to provide required information over emails and through telephone communication. Despite the best efforts of Brickwork Ratings to get at least the minimum required information for a review, the entity has not provided the same. Hence, the ratings were migrated to the 'Not Reviewed' category. In the absence of adequate information from the issuer and continued lack of management cooperation, Brickwork Ratings is unable to assess the issuer's financial performance and its ability to service its debt and maintain valid ratings. The entity has not been submitting NDS to BWR. Based on inadequate information and continued lack of management cooperation, Brickwork Ratings has downgraded the long term rating to 'BWR B+/Stable' from 'BWR BB-(Stable)', reaffirmed the short term ratings of 'BWR A4' and migrated to the Issuer Not Cooperating* category.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

ENTITY PROFILE

M/s. Abdul Kalam Azad was established as a proprietary concern in 2001 at Thirthahalli, Shimoga District of Karnataka. Mr. Abdul Kalam Azad, proprietor is a Class-I civil contractor. The firm is engaged in executing tender based civil construction projects like road construction projects, expansion and maintenance work, rural road development work etc. and bridge construction. The projects are mainly tender based Government projects within the state of Karnataka. Major list of clientele of the company includes National Highways Authority of India (NHAI), Karnataka Public Works, Ports and Inland Water Transport Department(KPWD), etc. The firm has employed currently 33 nos permanent employees and 15 nos of hired labour. As per the management, major work orders in progress for FY 20 was estimated at Rs. 124.63 crs.

No financial information has been submitted to BWR over the last one year

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY - NA

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal & suspended]

Facilities	Current Rating			Rating History		
	Tenure	Amount (Rs.Crs.)	Ratings	(10.02.2020)	(22.05.2019)	(15.03.2018)
Fund Based	Long Term	8.00	BWR B+ Stable Issuer Not Cooperating* Downgrade	BWR BB- Stable Reaffirmed	BWR BB- Stable Issuer did Not Cooperate Reaffirmed	BWR BB- Stable Reaffirmed
Non Fund Based	Short Term	13.00	BWR A4 Issuer Not Cooperating* Reaffirm	BWR A4 Reaffirmed	BWR A4 Issuer did Not Cooperate Reaffirmed	BWR A4 Reaffirmed
Total		Rs. 21.00 Crore (Rupees. Twenty One Crores Only)				

Not Reviewed the outstanding rating of BWR BB-(Stable)/A4 on 11th February 2021

Initial Rating of BWR B+/Stable was assigned on 25th January 2016

* Issuer did not cooperate; Based on best available information

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Infrastructure Sector](#)
- [Short Term Debt](#)
- [What Constitutes Non-Cooperation](#)

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Abdul Kalam Azad

ANNEXURE I

Details of Bank Loan Facilities rated by BWR

Sl. No.	Type of Facilities	Long Term (Rs.Crs.)	Short Term (Rs.Crs.)	Total (Rs.Crs.)
1	Fund Based Cash Credit	8.00	-	8.00
2	Non Fund Based Bank Guarantee	-	13.00	13.00
	TOTAL	8.00	13.00	21.00
TOTAL - Rupees Twenty One Crores Only				



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