

RATING RATIONALE

30 Mar 2020

Amar Iron Udyog Pvt. Ltd.

Brickwork Ratings Revises the ratings for the Bank Loan Facilities of Rs. 29.00 Crs. of Amar Iron Udyog Pvt. Ltd. based on best available information, as the issuer did not cooperate.

Facilities**	Amount (Rs.Crs)		Tenure	Rating#	
	Previous	Present		Previous (February 2015)	Present
Fund based	15.00	15.00	Long Term	BWR BB+ (Stable)	BWR B+ (Stable) Downgraded Issuer Not Cooperating*
Non Fund Based	14.00	14.00	Short Term	BWR A4+	BWR A4 Downgraded Issuer Not Cooperating*
Total	29.00	29.00	Rs Twenty Nine Crore Only		

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

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

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

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

In view of the non-availability of information and lack of cooperation from the issuer, Brickwork Ratings has downgraded the long term rating from “BWR BB+ (Stable)” to “BWR B+ (Stable) Issuer Not Cooperating” and short term rating from “BWR A4+” to “BWR A4 Issuer Not Cooperating”, for the bank loan facilities amounting to Rs. 29.00 Crores of **Amar Iron Udyog Pvt. Ltd.**

The lenders/investors may note to exercise due caution while using the above ratings which mentions "**Issuer Not Cooperating**" since the ratings lack any projections or forward looking component as it is arrived based on the best available information without any management/banker's interaction.

The rating was due for a review in February 2016. BWR took up with the issuer to provide required information over emails and through telephone calls. Despite the best efforts of BWR to



get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the issuer, BWR is unable to assess the company's financial performance and its ability to service its debt and maintain a valid rating.

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. Users of the credit rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non- transparency and withholding of the information required for a review of the rating

KEY FINANCIAL INDICATORS [AS AVAILABLE WITH BWR]

Key Financial Indicators	Units	FY14	FY13
Result Type		Audited	Audited
Operating Revenue	₹ Cr	106.36	74.56
EBITDA	₹ Cr	1.94	1.95
PAT	₹ Cr	0.29	0.27
Tangible Net Worth	₹ Cr	11.66	10.32

COMPANY PROFILE(Information as available in 2015)

Kolkata based Amar Iron Udyog Pvt. Ltd. was incorporated in 1994 by its main promoter, Mr. Sachin Jain. The company is engaged in the business of trading of iron and steel items. The company purchases the items in bulk quantity from prime producers such as Jindal Steel & Power Limited, Bharat Industrial Corporation, Shree N V Ispat and local market. The company generates a major portion of its turnover from trading. Mr. Sachin Jain, Mrs. Lavina Jain, Mr. Azad Kumar Jain and Mrs. Shobha Jain are the directors of the company.

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY (IF ANY): Nil

RATING HISTORY

Facilities	Current Rating (2020)			Rating History		
	Tenure (Long Term/ Short Term)	Amount (Rs.Crs.)	Rating	2019	2018	2017
Fund Based	Long Term	15.00	BWR B+ (Stable) Downgraded Issuer Not Cooperating	NA	NA	NA
Non Fund Based	Short Term	14.00	BWR A4 Downgraded Issuer Not Cooperating			
Total		29.00	INR Twenty Nine Crore Only			

*The company was initially rated as BWR BB+(Stable)/A4+ on 24 February 2015

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](#)
- [What Constitutes Non- Cooperation](#)

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ANNEXURE I

Amar Iron Udyog Pvt Ltd

Details of Bank Loan Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [Rs. Crs]	Short Term [Rs. Crs]	Total [Rs. Crs,]
1.	Indian Overseas Bank	Cash Credit	15.00	-	15.00
		Letter of Credit	-	14.00	14.00
TOTAL Rupees Twenty Nine Crores only					29.00

For print and digital media

The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

About Brickwork Ratings: Brickwork Ratings Private limited (BWR), a SEBI registered Credit Rating Agency, accredited by RBI and empanelled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empanelled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a leading public sector bank, as its promoter and strategic partner. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

DISCLAIMER: Brickwork Ratings Private Limited (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make



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