



## Rating Rationale

Azad Ispat India Pvt Ltd

28th December 2017

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹12.00 Crore of Azad Ispat India Pvt Ltd based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is as under

### Particulars

Facility	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous March 2013	Present
Fund based	9.00	12.00	Long Term	BWR B+ (Pronounced as BWR Single B Plus)  Outlook: Stable	Issuer did not Co-operate; <b>BWR B</b> (Pronounced as BWR Single B Plus) <b>(Outlook: Stable)</b> <b>(Downgraded)</b>
Non Fund Based	3.00	(2.00)	Short Term	BWR A4 (Pronounced as BWR A Four)	Issuer did not Co-operate; <b>BWR A4</b> (Pronounced as BWR A Four) <b>(Reaffirmed)</b>
<b>Total</b>	<b>12.00</b>	<b>12.00</b>	<b>₹ Twelve Crores Only</b>		

\*Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings  
Issuer did not co-operate; based on best available information



## **Ratings: Long Term Rating Downgraded and Short Term Rating Reaffirmed**

### **Nature of Non-co-operation:**

The rating was due for a review in Dec, 2017. BWR took up with the issuer to provide required information over emails dated 14.11.2017, 27.11.2017 and 15.12.2017. 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 Company, 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.

### **About the Company (Information as available in Mar 2013)**

Azad Ispat India Pvt Ltd is a private company based in Bengaluru, Karnataka. It was established in 2007 by Mr. Ameer Azad. The directors of the company are Mr. Sumeer Azad, Mr. Tanveer Azad, Mr. Musaveer Azad and Mr. Ameer Azad. The Chairman of the company, Mr. Ameer Azad, has an experience of 30 years in the same line of business. Mr. Sumeer Azad is in the same line of business for 10 years. Azad Ispat mainly deals in manufacturing of Steel Ingots & TMT bars. The major customers of the company are multinationals. The purchases for the company are made domestically. The key suppliers of the company are BEML and SAIL.

Azad Ispat India Pvt Ltd has availed credit facilities from Union Bank of India, Bangalore. The overall limit provided by the Bank amounts to ₹12 Crores in FY12. The facilities consist of Cash Credit limits of ₹ 5 Crores and Inland LC limits of ₹ 3 Crores.

**Rating History for the last three years (including withdrawn/suspended ratings)**

S.No	Instrument /Facility	Current Rating (2017)			Rating History			
		Type (Long Term/ Short Term)	Amount (₹ Cr)	Rating^	8.12.2016	2015	2014	2013
1.	<b>Fund Based</b>	Long Term	12.00	<b>BWR B (Outlook: Stable) (Downgraded)</b>	<b>Not Reviewed</b>	<b>Not Rated</b>	<b>Not Rated</b>	<b>BWR B+</b>
2.	<b>Non Fund Based</b>	Short Term	(2.00)	<b>BWR A4</b>				<b>BWR A4</b>
	<b>Total</b>		<b>12.00</b>	<b>₹ Twelve Crores Only</b>				

^Issuer did not co-operate; based on best available information

**Hyperlink/Reference to applicable Criteria**

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

For any other criteria obtain [hyperlinks](#) from website



**Azad Ispat India P Ltd**  
**Annexure I**

Particulars	Units	FY11	FY12
Net Sales/Revenues	₹ Cr	46.49	53.99
EBIDTA	₹ Cr	16.32	17.72
PAT	₹ Cr	(0.18)	(2.48)
Tangible Networth	₹ Cr	7.75	5.45
Total Debt : TNW	Times	2.35	4.38
Current Ratio	Times	1.69	1.34

**Note:** As per information available with BWR

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**For print and digital media**

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**Note on complexity levels of the rated instrument:**



BWR complexity levels are meant for educating investors. The BWR complexity levels are available at [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf) Investors queries can be sent to [info@brickworkratings.com](mailto:info@brickworkratings.com).

## **About Brickwork Ratings**

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled 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 Nationalized 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, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 10,00,000 Cr. In addition, BWR has rated over 6300 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹24,440 Cr have been rated.

## **DISCLAIMER**

Brickwork Ratings (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 any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.