



Press Release

Vandana Ispat Private Limited (erstwhile Vandana Ispat Limited)

December 20, 2024

Ratings:

| Facilities/ Instruments | Amount (Rs. crore) | Current Ratings | Previous Ratings | Rating Action | Complexity Indicator |
|-------------------------------|-----------------------|----------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|------------------------------------------|
| Long Term Bank Facilities | 40.00 | IVR B+/Negative; ISSUER NOT COOPERATING* [IVR Single B Plus with Negative Outlook; Issuer Not Cooperating*] | IVR BB-/Negative; ISSUER NOT COOPERATING* [IVR Double B minus with Negative Outlook; Issuer Not Cooperating*] | Downgraded and continued under Issuer Not Cooperating Category | Simple |
| Short Term Bank Facilities | 2.48 | IVR A4; ISSUER NOT COOPERATING* (IVR A Four; Issuer not cooperating) | IVR A4; ISSUER NOT COOPERATING* (IVR A Four; Issuer not cooperating) | Reaffirmed and continued under Issuer Not Cooperating Category | Simple |
| Total | 42.48 | (Rupees Forty-Two Crores and Forty-Eight Lakhs Only) | | | |

**Issuer not cooperating; Based on best available information*

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics Ratings has downgraded the long-term rating and reaffirmed the short-term rating assigned to the bank facilities of Vandana Ispat Private Limited (erstwhile Vandana Ispat Limited) and continued under “ISSUER NOT COOPERATING” category due to non-submission of information and lack of management corporation.

The aforesaid rating action to the bank facilities of Vandana Ispat Private Limited (erstwhile Vandana Ispat Limited) reflects lack of adequate information available about the performance of the company and hence the uncertainty around its credit risk. Infomerics Ratings assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

Infomerics Ratings has rated the bank loan facilities of Vandana Ispat Private Limited (erstwhile Vandana Ispat Limited) in November 2023. Despite close follow up through



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telephone calls and mails dated October 28, 2024, October 30, 2024, November 04, 2024, November 07, 2024, December 18, 2024, and concurrently over multiple phone calls for submission of required information for review and failure to submit minimum required information for a review is considered as an act of non-cooperation. In the absence of adequate information from the company, Infomerics Ratings is unable to assess the company's financial performance and its ability to service its debt and maintain a valid rating. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the Company. Based upon the same Infomerics Ratings has downgraded the long-term rating to IVR B+/Negative and reaffirmed the short-term bank facilities to IVR A4 and continued the same under 'ISSUER NOT COOPERATING' category by IVR based on best available information.

Non-Cooperation by Issuer:

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics Ratings has to assign the rating based on the best available information. Accordingly, the bank loan facilities of Vandana Ispat Private Limited (erstwhile Vandana Ispat Limited), aggregating to Rs. 42.48 crore downgraded the long-term bank facilities to IVR B+/Negative and reaffirmed the short-term bank facilities to IVR A4 and continued the same under 'ISSUER NOT COOPERATING' category by IVR based on best available information.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non- Financial Sector\)](#)

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Criteria for assigning rating outlook](#)

[Policy on default recognition & Post- Default Curing Period](#)

[Complexity level of rated instruments/facilities](#)

Liquidity: Unable to comment due to lack of adequate information



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About the Company

Vandana Ispat Private Limited (erstwhile Vandana Ispat Limited) is part of the Vandana group, founded by Mr. Subhash Agarwal, a first-generation entrepreneur in 1984. VIL is engaged in manufacturing of M.S beams, channels, angles among other structural products with its manufacturing facility located at Raipur, Chhattisgarh.

Financials (Standalone): Latest financials are not available. (Rs. Crore)

| For the year ended | 31-03-2019 | 31-03-2020 |
|---------------------------|----------------|----------------|
| | Audited | Audited |
| Total Operating Income | 339.20 | 260.93 |
| EBITDA | 6.21 | 6.57 |
| PAT | 1.17 | 2.01 |
| Total Debt | 40.27 | 35.73 |
| Tangible Net Worth | 91.16 | 90.83 |
| Ratios | | |
| EBITDA Margin (%) | 1.83 | 2.52 |
| PAT Margin (%) | 0.34 | 0.77 |
| Overall Gearing Ratio (x) | 0.44 | 0.39 |
| Interest Coverage (times) | 1.51 | 1.86 |

**Classification as per Infomerics` Standard*

Status of non-cooperation with previous CRA: Vandana Ispat Private Limited (erstwhile Vandana Ispat Limited) has been classified and continues to be under the ISSUER NOT COOPERATING* category by Brickwork Ratings India Pvt. Ltd. vide press release dated November 23, 2023 due to inadequate information provided by the company.

Any other information: Not Applicable



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Rating History for last three years:

| Sr. No. | Name of Security/Facilities | Current Ratings (2024-25) | | | Rating History for the past 3 years | | |
|---------|-----------------------------|---------------------------|--------------------------------|------------------------|-----------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|
| | | Type | Amount outstanding (Rs. Crore) | Rating | Date(s) & Rating(s) assigned in 2023-24 (Nov 29, 2023) | Date(s) & Rating(s) assigned in 2022-23 (Nov 17, 2022) | Date(s) & Rating(s) assigned in 2021-22 (Sep 06, 2021) |
| 1. | Long Term Bank Facilities | Long Term | 40.00 | IVR B+ /Negative; INC* | IVR BB- /Negative; INC* | IVR BB; INC* | IVR BB+; INC* |
| 2 | Short Term Bank Facilities | Short Term | 2.48 | IVR A4; INC* | IVR A4; INC* | IVR A4; INC* | IVR A4+; INC* |

**Issuer not cooperating; Based on best available information*

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.



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Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Instrument/Facility Details

| Name of Facility | ISIN | Date of Issuance | Coupon Rate/ IRR | Maturity Date | Size of Facility (Rs. Crore) | Rating Assigned / Outlook |
|---------------------------------------------------------------|------|------------------|------------------|---------------|------------------------------|---------------------------|
| Long Term Bank Facilities – Cash Credit | - | - | - | - | 40.00 | IVR B+/Negative; INC* |
| Short Term Bank Facilities – Letter of Credit /Bank Guarantee | - | - | - | - | 2.48 | IVR A4; INC* |

* Issuer did not cooperate; based on best available information

Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Len-Vandana-Ispat-20dec24.pdf>

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

Annexure 4: List of companies considered for consolidated analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it based on complexity and a note thereon is available at www.infomerics.com.