



Press Release

Vandana Ispat Private Limited
(erstwhile Vandana Ispat Limited)

November 17, 2022

Ratings

Instrument Facility /	Amount (Rs. Crore)	Ratings	Rating Action	Complexity Indicator
Long Term Fund Based Bank Facilities – Cash Credit	40.00	IVR BB; ISSUER NOT COOPERATING* (IVR Double B; ISSUER NOT COOPERATING*)	Revised and continued in ISSUER NOT COOPERATING* category	Simple
Short Term Non-Fund Based Bank Facilities – LC/BG	2.48	IVR A4; ISSUER NOT COOPERATING* (IVR A Four; ISSUER NOT COOPERATING*)	Revised and continued in ISSUER NOT COOPERATING* category	Simple
Total	42.48	(Rupees Forty-Two Crore and Forty-Eight lakh Only)		

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

Details of Facilities are in Annexure 1

Detailed Rationale

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

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.



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Non-cooperation by Issuer:

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned ratings to the bank facilities, vide mails communications dated Sep 15, 2022; Oct 27, 2022; Nov 01, 2022; Nov 02, 2022 and Nov 03, 2022 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted all the essential details/information for surveillance exercise.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has continued the long-term and short-term rating for the bank loan facilities of Vandana Ispat Private Limited, aggregating to Rs. 42.48 crore under the 'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR BB; ISSUER NOT COOPERATING and IVR A4; ISSUER NOT COOPERATING, 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](#)

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):

	(Rs. Crore)	
For the year ended* / Rs. Crore	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



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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

**as per Infomerics` standards*

Status of non-cooperation with previous CRA: Brickwork Ratings vide its press release dated 19th Oct 2022 has continued to classify the ratings of the company under Issuer Not Co-operating category on account of non-submission of relevant information.

Any other information: Not Applicable

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 (September 06, 2021)	Date(s) & Rating(s) assigned in 2020-21 (July 22, 2020)	Date(s) & Rating(s) assigned in 2019-20 (April 09, 2019)
1.	Long Term Fund Based Bank Facilities – Cash Credit	Long Term	40.00	IVR BB; ISSUE R NOT COOPERATING*	IVR BB+; ISSUER NOT COOPERATING*	IVR BBB-; Stable	IVR BBB; Stable
2.	Short Term Non-Fund Based Bank Facilities – LC/BG	Short Term	2.48	IVR A4; ISSUE R NOT COOPERATING*	IVR A4+; ISSUER NOT COOPERATING*	IVR A3	IVR A3+

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



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About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

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

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, suspend 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.



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Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Fund Based Bank Facility – Cash Credit	-	-	-	40.00	IVR BB; ISSUER NOT COOPERATING*
Short Term Non-Fund Based Bank Facility – LC/BG	-	-	-	2.48	IVR A4; ISSUER NOT COOPERATING*

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

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details: Not Applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

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