

Press Release

Azad Industries

March 04, 2020



Rating Update

Total Bank Facilities Rated	Rs. 10.00 Cr. #
Long Term Rating	ACUITE B (Downgraded from ACUITE B+) Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Acuité has downgraded the long term rating to '**ACUITE B**' (**read as ACUITE B**) from '**ACUITE B+**' (**read as ACUITE B plus**) on the Rs. 8.00 crore bank facilities and reaffirmed the short term rating '**ACUITE A4**' (**read as ACUITE A four**) on the Rs. 2.00 crore bank facilities of Azad Industries.

The rating downgrade is on account of information risk and indicative based on best available information.

Maharashtra based Azad Industries is a proprietary concern established in 1996 and promoted by Mr. Rajendra Chauhan. The entity is engaged in manufacture of industrial fabric such as wrapper & decatizing cloths, technical textile, woven filters bags, monofilament filter clothes, modern filtration equipment, filter press clothes, etc.

Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
24-Dec-2018	Cash Credit	Long Term	3.10	ACUITE B+/ Stable (Reaffirmed)
	Term Loan	Long Term	2.41	ACUITE B+/ Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	2.49	ACUITE B+/ Stable (Reaffirmed)
	Letter of Credit	Short Term	2.00	ACUITE A4 (Assigned)
09-Oct-2018	Cash Credit	Long Term	1.60	ACUITE B+ (Indicative)
	Term Loan	Long Term	0.91	ACUITE B+ (Indicative)
	Proposed Cash Credit	Long Term	3.10	ACUITE B+ (Indicative)
	Proposed Term Loan	Long Term	2.45	ACUITE B+ (Indicative)
	Proposed Term Loan	Long Term	0.62	ACUITE B+ (Indicative)
	Proposed Bank Facility	Long Term	1.32	ACUITE B+ (Indicative)
19-Sep-2017	Cash Credit	Long Term	1.60	ACUITE B+/ Stable (Assigned)
	Term Loan	Long Term	0.91	ACUITE B+/ Stable (Assigned)
	Proposed Cash Credit	Long Term	3.10	ACUITE B+/ Stable (Assigned)
	Proposed Term Loan	Long Term	2.45	ACUITE B+/ Stable (Assigned)
	Proposed Term Loan	Long Term	0.62	ACUITE B+/ Stable (Assigned)
	Proposed Bank Facility	Long Term	1.32	ACUITE B+/ Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.10	ACUITE B (Downgraded from ACUITE B+) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	2.41	ACUITE B (Downgraded from ACUITE B+) Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.49	ACUITE B (Downgraded from ACUITE B+) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4 Issuer not co-operating*

*The issuer did not co-operate; based on best available information.

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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