

Press Release

Avinash Ispat Private Limited (AIPL)

January 28, 2020



Rating Downgraded & Withdrawn

Total Bank Facilities Rated*	Rs. 9.00 Cr.
Long Term Rating	ACUITE BB- (Downgraded from ACUITE BB/ Stable & Withdrawn) Issuer not cooperating*

* Refer Annexure for details

Rating Rationale

Acuité has downgraded and withdrawn the long term rating to '**ACUITE BB-**' (**read as ACUITE double B minus**) from '**ACUITE BB**' (**read as ACUITE double B**) to the Rs. 9.00 crore bank facilities of Avinash Ispat Private Limited (AIPL). The rating withdrawal is in accordance with the Acuité's policy on withdrawal of rating.

The rating is being withdrawn on account of request received from the company. The rating downgrade is on account of information risk.

The company was established in 1984 and managed by Golecha Family. In July 2016, the company was taken over by its present management. The company is into manufacturing of long steel products including I beam, H beam and channels.

Analytical approach

Acuité has considered the standalone financial and business risk profiles of the company to arrive at this rating.

Applicable Criteria

- Default Recognition-<https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

About the Rated Entity - Key Financials

	Unit	FY19 (Actual)	FY18 (Actual)
Operating Income	Rs. Cr.	79.21	62.41
PAT	Rs. Cr.	0.52	0.44
PAT Margin	(%)	0.66	0.70
Total Debt/Tangible Net Worth	Times	1.65	1.62
PBDIT/Interest	Times	1.91	1.78

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

India Ratings, vide its press release dated August 23, 2018 had denoted the rating of AIPL as 'IND BB-; ISSUER NOT COOPERATING'

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
23-Nov-2018	Cash Credit	Long Term	9.00	ACUITE BB/Stable (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	9.00	ACUITE BB- (Downgraded from ACUITE B+/ Stable & Withdrawn) Issuer not cooperating*

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About Acuité Ratings & Research:

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