



Press Release

Inder Engineering Industries

September 22, 2018

Rating Update

Total Bank Facilities Rated*	Rs. 6.21 Cr.#
Long Term Rating	ACUITE BB 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.

Rating Rationale

Acuité has reviewed the long term rating of '**ACUITE BB**' (read as **ACUITE double B**) and **Short term Rating of ACUITE A4+** (read as **ACUITE A four plus**) to the Rs.6.21 crore bank facilities of Inder Engineering Industries. This rating is now an indicative rating and is based on best available information.

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

- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-14.htm>
- Application of Financial Ratios and Adjustments: <https://www.acuite.in/view-rating-criteria-20.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-17.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:

Inder Engineering, a proprietorship concern established in 1976 is engaged in the manufacture of traction control equipment such as contactors, switch gears, relays among others. The firm, headed by Mr. K.S. Nanda, is an ISO 9001:2008 certified and RDSO (Research Design and Standards Organisation) approved supplier to Indian Railways.

In FY2014-15, Inder Engineering reported profit after tax (PAT) of Rs.0.73 crore on operating income of Rs.22.48 crore, as compared to PAT of Rs.1.14 crore on operating income of Rs.28.23 crore in the previous year.

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

None

Any other information

Acuite 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
8- July-2017	Cash Credit	Long term	2.85	ACUITE BB (Indicative)
	Bill Discounting	Short Term	0.05	ACUITE A4+ (Indicative)
	Term Loan	Long term	0.05	ACUITE BB (Indicative)
	Term Loan	Long term	0.11	ACUITE BB (Indicative)
	Term Loan	Long term	3.00	ACUITE BB (Indicative)
	Bank Guarantee	Short Term	0.15	ACUITE A4+ (Indicative)
26-March-2016	Bill Discounting	Short Term	0.05	ACUITE A4+ (Assigned)
	Cash Credit	Long term	2.85	ACUITE BB/Stable (Assigned)
	Term Loan	Long term	0.05	ACUITE BB/Stable (Assigned)
	Term Loan	Long term	0.11	ACUITE BB/Stable (Assigned)
	Term Loan	Long term	3.00	ACUITE BB/Stable (Assigned)
	Bank Guarantee	Short term	0.15	ACUITE A4+ (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	2.85	ACUITE BB Issuer not co-operating*
Bill Discounting	Not Applicable	Not Applicable	Not Applicable	0.05	ACUITE A4+ Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.05	ACUITE BB Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.11	ACUITE BB Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE BB Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.15	ACUITE A4+ Issuer not co-operating*

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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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