



Press Release
YFC Projects Private Limited
October 29, 2024
Rating Downgraded, Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---|---------------------|---|--|
| Bank Loan Ratings | 60.37 | ACUITE BB Downgraded Issuer not co-operating* | - |
| Bank Loan Ratings | 466.60 | - | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Total Outstanding Quantum (Rs. Cr) | 526.97 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |
| * The issuer did not co-operate; based on best available information. | | | |

Rating Rationale

Acuite has downgraded the long-term rating to ‘**ACUITE BB**’ (read as **ACUITE double Bf**) from ‘**ACUITE BB+**’ (read as **ACUITE double B plus**) and reaffirmed the short-term rating of ‘**ACUITE A4+**’ (read as **ACUITE A four plus**) on the Rs. 526.97 crore bank facilities of YFC Projects Private Limited on account of information risk. The rating continues to be flagged as “Issuer Not-Cooperating” and is based on the best available information.

About the Company

Gurgaon-based, YFC Projects Private Limited (YPPL) was incorporated in 1986 and is engaged in undertaking Engineering, Procurement and Construction (EPC) projects (Roads & Highways, High-Rise Buildings, Metro-Rail projects and Sewerage Networking & Treatments Plants) for the State and Central government. The company is being managed by Mr. Rajinder Yadav, Mr. Davinder Kumar Yadav, Mr. Yoginder Yadav and Mr. Manish Yadav, who have extensive experience in the said industry. YPPL has entered into joint ventures with reputed players such as Chongqing International Construction Corporation (CICO), State Construction Integrated Works (SCIW), MBZ and Zhejiang Teams International (ZTI) to help bid for high value projects.

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower:

Acuite 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 the due date. Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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

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 endeavored 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.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

| Particulars | Unit | FY 23 (Actual) | FY 22 (Actual) |
|-------------------------------|---------|----------------|----------------|
| Operating Income | Rs. Cr. | 259.03 | 289.61 |
| PAT | Rs. Cr. | (21.66) | (40.32) |
| PAT Margin | (%) | (8.36) | (13.92) |
| Total Debt/Tangible Net Worth | Times | 2.65 | 1.66 |
| PBDIT/Interest | Times | 0.32 | (0.18) |

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|------------------------------------|------------|-----------------|--|
| 01 Aug 2023 | Bank Guarantee (BLR) | Short Term | 225.00 | ACUITE A4+ (Reaffirmed & Issuer not co-operating*) |
| | Letter of Credit | Short Term | 20.00 | ACUITE A4+ (Reaffirmed & Issuer not co-operating*) |
| | Bank Guarantee (BLR) | Short Term | 30.00 | ACUITE A4+ (Reaffirmed & Issuer not co-operating*) |
| | Bank Guarantee (BLR) | Short Term | 70.00 | ACUITE A4+ (Reaffirmed & Issuer not co-operating*) |
| | Bank Guarantee (BLR) | Short Term | 75.00 | ACUITE A4+ (Reaffirmed & Issuer not co-operating*) |
| | Bank Guarantee (BLR) | Short Term | 14.30 | ACUITE A4+ (Reaffirmed & Issuer not co-operating*) |
| | Bank Guarantee (BLR) | Short Term | 29.30 | ACUITE A4+ (Reaffirmed & Issuer not co-operating*) |
| | Bank Guarantee (BLR) | Short Term | 3.00 | ACUITE A4+ (Reaffirmed & Issuer not co-operating*) |
| | Term Loan | Long Term | 1.87 | ACUITE BB+ (Reaffirmed & Issuer not co-operating*) |
| | Cash Credit | Long Term | 38.50 | ACUITE BB+ (Reaffirmed & Issuer not co-operating*) |
| | Cash Credit | Long Term | 20.00 | ACUITE BB+ (Reaffirmed & Issuer not co-operating*) |
| 10 May 2022 | Term Loan | Long Term | 1.87 | ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE A- Negative) |
| | Cash Credit | Long Term | 38.50 | ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE A- Negative) |
| | Cash Credit | Long Term | 20.00 | ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE A- Negative) |
| | Bank Guarantee/Letter of Guarantee | Short Term | 225.00 | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2+) |
| | Letter of Credit | Short Term | 20.00 | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2+) |
| | Bank Guarantee/Letter of Guarantee | Short Term | 30.00 | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2+) |
| | Bank Guarantee/Letter of Guarantee | Short Term | 70.00 | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2+) |
| | Bank Guarantee (BLR) | Short Term | 75.00 | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2+) |
| | Bank Guarantee (BLR) | Short Term | 14.30 | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2+) |
| | Bank Guarantee (BLR) | Short Term | 29.30 | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2+) |
| | Bank Guarantee (BLR) | Short Term | 3.00 | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2+) |
| 12 Feb 2021 | Term Loan | Long Term | 1.87 | ACUITE A- Negative (Reaffirmed) |
| | Cash Credit | Long Term | 38.50 | ACUITE A- Negative (Reaffirmed) |
| | Cash Credit | Long Term | 20.00 | ACUITE A- Negative (Reaffirmed) |
| | Bank Guarantee (BLR) | Short Term | 225.00 | ACUITE A2+ (Reaffirmed) |
| | Bank Guarantee (BLR) | Short Term | 3.00 | ACUITE A2+ (Reaffirmed) |
| | Bank Guarantee (BLR) | Short Term | 14.30 | ACUITE A2+ (Reaffirmed) |
| | Bank Guarantee (BLR) | Short Term | 29.30 | ACUITE A2+ (Reaffirmed) |

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

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|-------------|----------------------|------------|--------|-----------------------------------|
| | Bank Guarantee (BLR) | Short Term | 70.00 | ACUITE A2+ (Reaffirmed) |
| | Bank Guarantee (BLR) | Short Term | 75.00 | ACUITE A2+ (Reaffirmed) |
| | Bank Guarantee (BLR) | Short Term | 30.00 | ACUITE A2+ (Reaffirmed) |
| | Letter of Credit | Short Term | 20.00 | ACUITE A2+ (Reaffirmed) |
| 03 Feb 2021 | Bank Guarantee (BLR) | Short Term | 225.00 | ACUITE A2+ (Reaffirmed) |
| | Bank Guarantee (BLR) | Short Term | 3.00 | ACUITE A2+ (Reaffirmed) |
| | Bank Guarantee (BLR) | Short Term | 14.30 | ACUITE A2+ (Reaffirmed) |
| | Bank Guarantee (BLR) | Short Term | 29.30 | ACUITE A2+ (Reaffirmed) |
| | Bank Guarantee (BLR) | Short Term | 70.00 | ACUITE A2+ (Reaffirmed) |
| | Bank Guarantee (BLR) | Short Term | 63.69 | ACUITE A2+ (Reaffirmed) |
| | Bank Guarantee (BLR) | Short Term | 30.00 | ACUITE A2+ (Reaffirmed) |
| | Letter of Credit | Short Term | 20.00 | ACUITE A2+ (Reaffirmed) |
| | Cash Credit | Long Term | 38.50 | ACUITE A- Negative (Reaffirmed) |
| | Cash Credit | Long Term | 20.00 | ACUITE A- Negative (Reaffirmed) |
| | Term Loan | Long Term | 1.87 | ACUITE A- Negative (Reaffirmed) |

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Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Complexity Level | Rating |
|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-------------------|------------------|---|
| Bank of Baroda | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 225.00 | Simple | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Axis Bank | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 30.00 | Simple | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| HDFC Bank Ltd | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 70.00 | Simple | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Yes Bank Ltd | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 75.00 | Simple | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Kotak Mahindra Bank | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 14.30 | Simple | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Kotak Mahindra Bank | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 29.30 | Simple | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Kotak Mahindra Bank | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 3.00 | Simple | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Bank of Baroda | Not avl. / Not appl. | Cash Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 38.50 | Simple | ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+) |
| Axis Bank | Not avl. / Not appl. | Cash Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 20.00 | Simple | ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+) |
| Bank of Baroda | Not avl. / Not appl. | Letter of Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 20.00 | Simple | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Bank of Baroda | Not avl. / Not appl. | Term Loan | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 1.87 | Simple | ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+) |

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

Contacts

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|---|---|
| Mohit Jain Senior Vice President-Rating Operations | Contact details exclusively for investors and lenders |
| Sahil Sawant Associate Analyst-Rating Operations | Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in |

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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