

Press Release

Sufalam Infra Projects Limited (SIPL)

February 15, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 10.00 Cr.
Long Term Rating	ACUITE B Issuer non-cooperating*

* Refer Annexure for details

Rating Rationale

Acuité has reviewed and downgrade the long term rating of '**ACUITE B**' (read as **ACUITE B**) from '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs. 10.00 crore bank facilities of Sufalam Infra Projects Limited (SIPL). This rating is now an indicative rating and is based on best available information.

The Nagpur-based Sufalam Infra Project Limited (SIPL) was incorporated in 2011. The company, promoted by Mr. Rajesh Agarwal and Mr. Sanjay Agarwal, undertakes EPC projects.

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>
- Infrastructure Entities-<https://www.acuite.in/view-rating-criteria-14.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.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

	Unit	FY17(Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	30.14	74.83	69.07
EBITDA	Rs. Cr.	4.24	6.78	6.72
PAT	Rs. Cr.	1.43	3.68	3.74
EBITDA Margin	(%)	14.06	9.05	9.73
PAT Margin	(%)	4.76	4.91	5.41
ROCE	(%)	13.45	23.68	35.81
Total Debt/Tangible Net Worth	Times	0.61	0.60	0.99
PBDIT/Interest	Times	3.05	9.47	21.75
Total Debt/PBDIT	Times	2.45	1.38	1.75
Gross Current Assets (Days)	Days	396	135	132

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
04-Jan-18	Cash Credit	Long term	10.00	ACUITE B+/Stable (Reaffirmed)
12-Sep-16	Cash Credit	Long term	10.00	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/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE B Issuer not co-operating*

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About Acuite Ratings & Research:

Acuite 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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