Press Release

INDFAB PROJECTS PRIVATE LIMITED

April 18, 2024

Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Ra
Bank Loan Ratings	4.00	ACUITE B+ | Reaffirmed | Issuer not co-operating*	-
Bank Loan Ratings	24.00	-	ACUITE A4 | Reaffirmed | Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	28.00	-	-

Rating Rationale

Acuité has reaffirmed the long-term rating of **'ACUITE B+' (read as ACUITE B plus)** and short term rating of **'ACUITE A4' (read as ACUITE A four)** on the Rs. 28.00 crore bank facilities of Indfab Projects Private Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

Incorporated in 2005, Located in Odisha, India, Indfab Projects Private Limited (IPPL) carries out Engineering, Procurement and Construction (EPC) work in the aluminium industry. It is promoted by Mr. Ashis Palit, Mr. Prabhat Palit and Mr. Kaushik Palit. Mr. Prabhat Palit, who is an engineer by profession, has prior experience of working in a joint venture with Indian Ropeway Engineering Limited (IREL) from 2002 to 2005. The company's current operations are being actively managed by Mr. Ashis Palit. The company requires raw materials like steel, oxygen gas, electrode welding gas etc. for its erection and installation works which are provided mainly by the clients, for other raw materials which are not so provided, it procures them on a credit of 15 to 30 days from the suppliers. IPPL's major clients include NALCO, HINDALCO, Vedanta Ltd and Mahanadi Coalfield Limited. It gets contract work mainly on a tender basis. Collections are made by raising bills as the project progresses normally on a monthly basis with realisation being made in 15 days.

Unsupported Rating

Not Applicable

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 the due date. Acuité 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 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	35.98	27.69
PAT	Rs. Cr.	1.10	0.01
PAT Margin	(%)	3.05	0.04
Total Debt/Tangible Net Worth	Times	0.25	0.22
PBDIT/Interest	Times	4.15	3.88

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

• Manufacturing Entities: https://www.acuite.in/view-rating-criteria-59.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, Acuité 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
25 Jan 2023	Working Capital Term Loan	Long Term	2.00	ACUITE B+ | Not Applicable (Reaffirmed & Issuer not co-operating*)
	Proposed Working Capital Term Loan	Long Term	2.00	ACUITE B+ | Not Applicable (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee/Letter of Guarantee	Short Term	20.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	4.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
27 Oct 2021	Proposed Bank Guarantee	Short Term	4.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Proposed Working Capital Term Loan	Long Term	2.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee/Letter of Guarantee	Short Term	20.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Working Capital Term Loan	Long Term	2.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
State Bank of India	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	20.00	ACUITE A4 | Reaffirmed | Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Bank Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	4.00	ACUITE A4 | Reaffirmed | Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	2.00	ACUITE B+ | Reaffirmed | Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	2.00	ACUITE B+ | Reaffirmed | Issuer not co-operating*

Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President-Rating Operations Tel: 022–49294017 mohit.jain@acuite.in Abhishek Singh Analyst-Rating Operations Tel: 022-49294065 abhishek.s@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@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.