



Press Release

Industrial Manufacturers
October 06, 2023

Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	11.75	ACUITE BB Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	3.25	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	15.00	-	-

Rating Rationale

Acuité has reaffirmed its long-term rating of '**ACUITE BB**' (read as **ACUITE double B**) and the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.15.00 Cr bank facilities of Industrial Associates (IA).

The rating is now an indicative rating and is based on best available information, since **Industrial Associates(IA)** has been an NDS defaulter for more than three months. However, the banker has provided their feedback that the conduct of the account is satisfactory.

About the Company

Established in 1969, Industrial Associates (IA) is a partnership firm headed by the partners, Mr. Vijay Kumar Agarwal, Mr. Sushil Kumar Agarwal, Mr. Saket Agarwal and Mr. Vinay Agarwal. It is engaged in manufacturing and trading of refractory materials used in lining furnaces, kilns, fireboxes, and fireplaces. The firm's manufacturing unit is located in West Bengal with a capacity of 21 600 MT per annum.

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 noncooperation 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 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 ratings based.

Rating Sensitivities

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

All Covenants

None

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Key Financials

Particulars	Unit	FY 23 (Provisional)	FY 22 (Actual)
Operating Income	Rs. Cr.	24.67	26.96
PAT	Rs. Cr.	0.22	0.14
PAT Margin	(%)	0.91	0.50
Total Debt/Tangible Net Worth	Times	1.26	1.06
PBDIT/Interest	Times	1.78	1.75

Status of non-cooperation with previous CRA

Not Applicable

Any other information

Not Applicable

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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
30 Jun 2023	Bank Guarantee	Short Term	3.25	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	11.75	ACUITE BB Stable (Reaffirmed)
05 May 2022	Bank Guarantee	Short Term	3.25	ACUITE A4+ (Upgraded from ACUITE A4)
	Cash Credit	Long Term	11.75	ACUITE BB Stable (Upgraded from ACUITE BB- Stable)
13 Nov 2020	Bank Guarantee	Short Term	3.25	ACUITE A4 (Reaffirmed)
	Cash Credit	Long Term	11.75	ACUITE BB- Stable (Reaffirmed)
14 Aug 2020	Cash Credit	Long Term	11.75	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	3.25	ACUITE A4 (Downgraded and 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
Indian Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	3.25	ACUITE A4+ Reaffirmed Issuer not co-operating*
Indian Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	11.75	ACUITE BB Reaffirmed Issuer not co-operating*

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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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