

Press Release

The Incoda

June 22, 2018



Rating Downgraded

Total Bank Facilities Rated*	Rs. 13.50 Cr.#
Long Term Rating	ACUITE BB+ (Issuer not co-operating*; revised from ACUITE BBB- /Stable)

* Refer Annexure for details

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

Rating Rationale

Acuité has revised long-term rating to '**ACUITE BB+**' (**read as ACUITE double B Plus**) from '**ACUITE BBB-**' (**read as ACUITE Triple B Minus**) on the Rs.13.50 crore bank facilities of The Incoda. This rating is now an indicative rating and is based on best available information.

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 required documents before due date. Acuité has downgraded its rating on the bank facility of THE INCODA (TI). The downgrade of ratings is on account of absence of adequate information to enable Acuité to assess TI's ability to service its debt.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and ACUITE's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Manufacturing Entities - <https://acuite.in/view-rating-criteria-14.htm>
- Service Entities - <https://www.acuite.in/view-rating-criteria-8.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 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.

About the rated entity

Established as a proprietorship firm by Mr. Samirendra Dutta in 1986 and reconstituted as a partnership firm in 2009, The Incoda provides outdoor advertising services and also manufactures clay and ceramic artefacts.

For FY2015-16, The Incoda registered Profit After Tax (PAT) of Rs.0.63 cr on operating income of Rs.21.18 cr as compared with PAT of Rs 0.37 cr on operating income of Rs.12.69 cr in FY2014-15.

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

None

Any other information

None

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
27 th -March-2017	Cash Credit	Long Term	4.00	ACUITE BBB-/Stable (Assigned)
	Proposed Cash Credit	Long Term	2.00	ACUITE BBB-/Stable (Assigned)
	Term Loan	Short Term	3.00	ACUITE BBB-/Stable (Assigned)
	Proposed Long Term Loan	Short Term	4.50	ACUITE BBB-/Stable (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	4.00	ACUITE BB+ (Indicative)
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BB+ (Indicative)
Term Loan	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE BB+ (Indicative)
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	4.50	ACUITE BB+ (Indicative)

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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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