

Press Release

Fabro Forge

May 17, 2021



Rating Downgraded

Total Bank Facilities Rated*	Rs.10.00 Cr. #
Long Term Rating	ACUITE BB+ Downgraded and Issuer not co-operating *
Short Term Rating	ACUITE A4+ Downgraded and Issuer not co-operating*

Refer Annexure for details`

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

ACUITE has downgraded the long term rating from '**ACUITE BBB-**' (read as ACUITE triple B minus) to '**ACUITE BB+**' (read as ACUITE double B plus) and the short term rating from '**ACUITE A3**' (read as ACUITE A three) to '**ACUITE A4+**' (read as ACUITE A four plus) on the Rs.10.00 Cr bank facilities of Fabro Forge. This rating is now an indicative rating and is based on best available information. The rating is constrained by information risk.

About the company

West Bengal based Jai Dadi Group was incorporated in 1988 by Mr. Subhash Kedia and has three main units namely, Eastern Track Udyog Private Limited, Kedsati Iron & Steel Private Limited and Fabro Forge. The group is involved in the manufacturing and supplying of railway track items for more than 2 decades. The entities undertake tender based contract from railways to manufacture and supply of railway track items in the form of fish plates, elastic rail clips, HTS nuts and bolts, channel sleepers, to name a few.

Established in 2007, the firm Fabro Forge (FF) is engaged in manufacturing all types Elastic Rail Clip- II, III, V and HTS Bolts and Nuts. The firm undertakes tender based contracts to supply railway track items.

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of FF to arrive at this rating.

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.

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.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.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 - Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

Liquidity Indicators

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

Rating Sensitivity

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

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

Not applicable

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
21-Feb-2020	Cash Credit	Long Term	3.00	ACUITE BBB-/Stable (Reaffirmed)
	Letter of Credit	Short Term	3.50	ACUITE A3 (Reaffirmed)
	Proposed non-fund based facility	Short Term	3.50	ACUITE A3 (Reaffirmed)
30-Jan-2020	Cash Credit	Long Term	3.00	ACUITE BBB- (Upgraded from ACUITE BB+)
	Letter of Credit	Short Term	3.50	ACUITE A3 (Upgraded from ACUITE A4+)
	Proposed non-fund based facility	Short Term	3.50	ACUITE A3 (Upgraded from ACUITE A4+)
02-Jan-2020	Cash Credit	Long Term	3.00	ACUITE BB+ (Upgraded from ACUITE BB)
	Letter of Credit	Short Term	3.50	ACUITE A4+ (Reaffirmed)
	Proposed non-fund based facility	Short Term	3.50	ACUITE A4+ (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE BB+ Downgraded and Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	3.50	ACUITE A4+ Downgraded and Issuer not co-operating*
Proposed non-fund based facility	Not Applicable	Not Applicable	Not Applicable	3.50	ACUITE A4+ Downgraded and Issuer not co-operating*

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

Contacts

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About Acuité Ratings & Research

Acuité Ratings & Research 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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