



Press Release
Placebo Fabtech Private Limited
October 06, 2023

Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	26.17	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	2.50	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	28.67	-	-

Rating Rationale

Acuite 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.28.67 crore bank facilities of Placebo Fabtech Private Limited (PFPL). This rating is now an indicative rating and is based on account of information risk.

About the Company

Placebo Fabtech Private Limited (PFPL), is a Hyderabad based company incorporated in 2018. PFPL commenced its operations in December, 2018. The company is promoted by Mr. Ch. Chandra Shekar Reddy and is engaged in steel fabrications of steel girders, pre engineering structures for Railway bridges, Flyovers, high rise buildings and industries. There are three divisions mainly fabrications of Steel girders, Pre Engineered structures and Technological structures.

Non-cooperation by the issuer/borrower

Acuite has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 03 consecutive months. However, the issuer/borrower failed to submit such information before the due date. Acuite 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 Acuite'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). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities

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

All Covenants

Not Applicable

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.	33.28	22.67
PAT	Rs. Cr.	0.75	0.43
PAT Margin	(%)	2.25	1.90
Total Debt/Tangible Net Worth	Times	2.89	2.10
PBDIT/Interest	Times	2.71	2.23

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
26 May 2023	Proposed Bank Facility	Long Term	4.46	ACUITE B+ Stable (Assigned)
	Bank Guarantee	Short Term	2.50	ACUITE A4 (Reaffirmed)
	Term Loan	Long Term	1.89	ACUITE B+ Stable (Reaffirmed)
	Proposed Term Loan	Long Term	11.56	ACUITE B+ Stable (Assigned)
	Secured Overdraft	Long Term	5.00	ACUITE B+ Stable (Assigned)
	Covid emergency line	Long Term	1.15	ACUITE B+ Stable (Assigned)
	Proposed Term Loan	Long Term	2.11	ACUITE B+ Stable (Reaffirmed)
19 Apr 2022	Term Loan	Long Term	2.00	ACUITE B+ (Issuer not co-operating*)
	Cash Credit	Long Term	2.00	ACUITE B+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	2.50	ACUITE A4 (Issuer not co-operating*)
04 Feb 2021	Bank Guarantee	Short Term	2.50	ACUITE A4 (Reaffirmed)
	Cash Credit	Long Term	2.00	ACUITE B+ Stable (Reaffirmed)
	Term Loan	Long Term	2.00	ACUITE B+ Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Canara Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	2.50	ACUITE A4 Reaffirmed Issuer not co-operating*
Canara Bank	Not Applicable	Covid Emergency Line.	Not Applicable	Not Applicable	Not Applicable	Simple	1.15	ACUITE B+ Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	4.46	ACUITE B+ Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	Simple	2.11	ACUITE B+ Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	Simple	11.56	ACUITE B+ Reaffirmed Issuer not co-operating*
Canara Bank	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	5.00	ACUITE B+ Reaffirmed Issuer not co-operating*
Canara Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	1.89	ACUITE B+ 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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