

## Press Release

Indoline Industries Private Limited

July 15, 2024

Rating Downgraded, Reaffirmed and Issuer not co-operating



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	17.00	ACUITE B   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	8.00	-	ACUITE A4   Reaffirmed   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	25.00	-	-

## Rating Rationale

Acuité has downgraded long-term ratings to '**ACUITE B**' (read as **ACUITE B**) from '**ACUITE B+**' (read as **ACUITE B plus**) and reaffirmed the short-term ratings to '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 25.00 Crore bank facilities of Indoline Industries Private Limited. The rating is now flagged as "Issuer Not-Cooperating" and is based on the best information available. The downgrade is on account of information risk.

## About the Company

Maharashtra-based, IIPPL was incorporated in 1987. The company is engaged in manufacturing of all types of wooden furniture including modular kitchens, wardrobes, bedroom furniture, hotel and household furniture. The company also offers various finishes like Laminate, Acrylic, UV Lacquer, PU Lacquer, PVC Membrane, Veneer, Solid Wood and Back Painted Glass etc. The company is promoted by Mr. Husain Sultan Ali Nensey, Mr. Saif Husain Nensey, Mrs. Nissa Husain Nensey and Mr. Adnan Latif Nensey. The manufacturing facilities are located at Ambad, Nashik and Dindori.

## 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 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 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 rating is based.

**Rating Sensitivities**

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

**Liquidity Position**

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

**Outlook**

Not Applicable.

**Other Factors affecting Rating** None.

## Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	88.38	74.88
PAT	Rs. Cr.	(5.08)	(0.01)
PAT Margin	(%)	(5.75)	(0.01)
Total Debt/Tangible Net Worth	Times	7.28	2.27
PBDIT/Interest	Times	(1.10)	2.55

### Status of non-cooperation with previous CRA

Not Applicable.

### Any other information

None.

### 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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
25 Apr 2023	Letter of Credit	Short Term	6.00	ACUITE A4 (Reaffirmed)
	Bills Discounting	Short Term	2.00	ACUITE A4 (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	6.22	ACUITE B+   Stable (Reaffirmed)
	Cash Credit	Long Term	8.00	ACUITE B+   Stable (Reaffirmed)
	Term Loan	Long Term	1.07	ACUITE B+   Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	0.21	ACUITE B+   Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	0.86	ACUITE B+   Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	0.64	ACUITE B+   Stable (Reaffirmed)
25 Feb 2022	Term Loan	Long Term	0.16	ACUITE B+ (Withdrawn)
	Proposed Long Term Bank Facility	Long Term	12.59	ACUITE B+   Stable (Reaffirmed)
	Bills Discounting	Short Term	2.00	ACUITE A4 (Reaffirmed)
	Cash Credit	Long Term	3.00	ACUITE B+   Stable (Reaffirmed)
	Letter of Credit	Short Term	3.25	ACUITE A4 (Reaffirmed)
	Working Capital Term Loan	Long Term	1.11	ACUITE B+   Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	0.64	ACUITE B+   Stable (Reaffirmed)
	Term Loan	Long Term	1.69	ACUITE B+   Stable (Reaffirmed)
	Term Loan	Long Term	0.12	ACUITE B+   Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	0.60	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
Indian Bank	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	2.00	ACUITE A4   Reaffirmed   Issuer not co-operating*
Indian Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	8.00	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
Indian Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	6.00	ACUITE A4   Reaffirmed   Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	6.22	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
Indian Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.07	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
Indian Bank	Not avl. / Not appl.	Working Capital Demand Loan (WC DL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.21	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
Indian Bank	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.86	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
Indian Bank	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.64	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )

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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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