

October 23, 2023

Perfect Engineering Associates Private Limited: Ratings Withdrawn

Summary of rating action

| Instrument [^] | Previous Rated Amount (Rs. crore) | Current Rated Amount (Rs. crore) | Rating Action |
|----------------------------------|-----------------------------------|----------------------------------|--|
| Long Term-Fund Based-Cash Credit | 7.00 | 7.00 | [ICRA]B-(Stable); ISSUER NOT COOPERATING*; Withdrawn |
| Short Term-Non Fund Based-Others | 3.00 | 3.00 | [ICRA]A4; ISSUER NOT COOPERATING*; Withdrawn |
| Long Term-Non Fund Based-Others | 10.00 | 10.00 | [ICRA]B-(Stable); ISSUER NOT COOPERATING*; Withdrawn |
| Total | 20.00 | 20.00 | |

^{*}Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the rating assigned to the bank facilities of Perfect Engineering Associates Private Limited at the request of the company and based on the No Objection Certificate/Closure Certificate received from the banker. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position, Rating Sensitivities have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here.](#)

Analytical approach

| Analytical Approach | Comments |
|---------------------------------|--|
| Applicable Rating Methodologies | Corporate Credit Rating Methodology Rating Methodology Construction Policy in respect of non-cooperation by a rated entity Policy on Withdrawal of Credit Ratings |
| Parent/Group Support | Not Applicable |
| Consolidation/Standalone | Standalone |

About the company

Incorporated in 1972, Perfect Engineering Associates Pvt. Ltd. (PEAPL) is based out of Mumbai and is involved in the repair and construction of water pipelines and construction of water reservoirs for various municipal corporations. The company specialises in work involving cement mortar lining of various diameter pipes, new pipe laying and construction of water storage tanks for urban water distribution.

Key financial indicators

| | FY2021 (in crore) | FY2022 (in crore) |
|--|-------------------|-------------------|
| Operating income | 17.0 | 19.1 |
| PAT | -2.1 | -2.3 |
| OPBDIT/OI | -2.4% | -3.7% |
| PAT/OI | -12.3% | -11.8% |
| Total outside liabilities/Tangible net worth (times) | -4.9 | - 3.6 |
| Total debt/OPBDIT (times) | -52.9 | - 30.2 |
| Interest coverage (times) | -0.2 | -0.4 |

Source-MCA

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for past three years

| | Instrument | Current Rating (FY2024) | | | | Chronology of Rating History for the past 3 years | | | |
|---|----------------------------|-------------------------|--------------------------|--------------------------------|---|---|--|--|--|
| | | Type | Amount Rated (Rs. crore) | Amount Outstanding (Rs. Crore) | Date & Rating in | | Date & Rating in FY2022 | Date & Rating in FY2021 | Date & Rating in FY2020 |
| | | | | | 23-Oct-2023 | 25-Apr-2023 | | | |
| 1 | Cash Credit | Long Term | 7.00 | - | [ICRA]B-(Stable); ISSUER NOT COOPERATING; Withdrawn | [ICRA]B-(Stable); ISSUER NOT COOPERATING | [ICRA]B-(Stable); ISSUER NOT COOPERATING | [ICRA]B-(Stable); ISSUER NOT COOPERATING | [ICRA]B-(Stable); ISSUER NOT COOPERATING |
| 2 | Short Term- Non Fund Based | Short Term | 3.00 | - | [ICRA]A4; ISSUER NOT COOPERATING; Withdrawn | [ICRA]A4; ISSUER NOT COOPERATING | [ICRA]A4; ISSUER NOT COOPERATING | [ICRA]A4; ISSUER NOT COOPERATING | [ICRA]A4; ISSUER NOT COOPERATING |
| 3 | Long Term- Non Fund Based | Long Term | 10.00 | - | [ICRA]B-(Stable); ISSUER NOT COOPERATING; Withdrawn | [ICRA]B-(Stable); ISSUER NOT COOPERATING | [ICRA]B-(Stable); ISSUER NOT COOPERATING | [ICRA]B-(Stable); ISSUER NOT COOPERATING | [ICRA]B-(Stable); ISSUER NOT COOPERATING |

Complexity level of the rated instrument

| Instrument | Complexity Indicator |
|----------------------------|----------------------|
| Cash Credit | Simple |
| Short Term- Non Fund Based | Very Simple |
| Long Term- Non Fund Based | Very Simple |

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

| ISIN No | Instrument Name | Date of Issuance / Sanction | Coupon Rate | Maturity Date | Amount Rated (RS Crore) | Current Rating and Outlook |
|---------|----------------------------|-----------------------------|-------------|---------------|-------------------------|--|
| NA | Cash Credit | - | - | - | 7.00 | [ICRA]B- (Stable); ISSUER NOT COOPERATING; Withdrawn |
| NA | Short Term- Non Fund Based | - | - | - | 3.00 | [ICRA]A4; ISSUER NOT COOPERATING; Withdrawn |
| NA | Long Term- Non Fund Based | - | - | - | 10.00 | [ICRA]B-(Stable); ISSUER NOT COOPERATING; Withdrawn |

Source: Perfect Engineering Associates Private Limited

Annexure-2: List of entities considered for consolidated analysis – Not Applicable

ANALYST CONTACTS

Rajeshwar Burla

+91 40 4067 6527

rajeshwar.burla@icraindia.com

Subhechha Banerjee

+91 33 7150 1130

subhechha.banerjee@icraindia.com

Sweety Shaw

+91 33 7150 1180

sweety.shaw@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar

+91 22 6169 3300

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



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