

December 30, 2024

Iron Triangle Limited: Continues to remain under issuer Non-Cooperating category, Rating downgraded based on best available information

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Term Loan	54.79	54.79	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB+(Stable); ISSUER NOT COOPERATING and continues to remain under the 'Issuer Not Cooperating' category
Short Term-Non-Fund Based-Others	530.00	530.00	[ICRA]A4; ISSUER NOT COOPERATING*; Rating downgraded From [ICRA]A4+; ISSUER NOT COOPERATING and continues to remain under the 'Issuer Not Cooperating' category
Long Term-Fund Based-Cash Credit	112.00	112.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB+(Stable); ISSUER NOT COOPERATING and continues to remain under the 'Issuer Not Cooperating' category
Short Term-Unallocated	106.40	106.40	[ICRA]A4; ISSUER NOT COOPERATING*; Rating downgraded From [ICRA]A4+; ISSUER NOT COOPERATING and continues to remain under the 'Issuer Not Cooperating' category
Total	803.19	803.19	

* Issuer did not cooperate; based on best available information

[^]Instrument details are provided in Annexure-1

Rationale

The rating downgrade is because of lack of adequate information regarding Iron Triangle Limited's performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at www.icra.in. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

As part of its process and in accordance with its rating agreement with Iron Triangle Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities : [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Construction
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Iron Triangle Limited (ITL) was established as Backbone Enterprise Limited (BEL) in 1991 as a partnership firm name Backbone Enterprise by Mr. Kishore Viramgama, Mr. Bhupendrakumar Panchani, and Mr. Bhovan Rangani in Rajkot (Gujarat). It was reconstituted as a public limited company in July 2002. Backbone Enterprise Limited was renamed Iron Triangle Limited in January 2017. Iron Triangle Limited is primarily engaged as an EPC contractor with presence in roads, railways, building, sewerage treatment, dams and water distribution. Its major clients include National Highways Authority of India (NHAI), MORTH, Rail Vikas Nigam Limited, Ircon International Limited, Gandhinagar Smart City Development Limited etc. Antique Arts Exports is involved in manufacturing and exports of a wide range of hand-tufted and hand knotted carpets, shaggy rugs, durries and other floor coverings. The main product line of the firm is hand tufted and hand knotted carpets which command a high realization in the export market.

Key financial indicators:

Standalone	FY 2022 (Rs. In Crore)	FY 2023 (Rs. IN Crore)
Operating Income (Rs. crore)	726.06	834.66
PAT (Rs. crore)	36.72	41.06
OPBDITA/OI (%)	10.44%	9.39%
PAT/OI (%)	5.06%	4.92%
Total Outside Liabilities/Tangible Net Worth (times)	0.69	0.50
Total Debt/OPBDITA (times)	2.06	1.30
Interest Coverage (times)	5.12	5.45

PAT: Profit after Tax; OPBDITA: Operating Profit before Depreciation, Interest, Taxes and Amortization

Source: MCA

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
CRISIL	[CRISIL]BB+(Stable)/A4+; ISSUER NOT COOPERATING	September 20, 2024

Any other information: None

Rating history for past three years

Instrument	Current Rating (FY2025)			Chronology of Rating History for the past 3 years			
	Type	Amount Rated (Rs. crore)	Date & Rating in	Date & Rating in FY2024		Date & Rating in FY2023	Date & Rating in FY 2022
			30 Dec 2024	13 Oct 2023	28 Apr 2023	-	25 Jan 2022
1 Fund Based-Term Loan	Long Term	54.79	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB+(Stable); ISSUER NOT COOPERATING	[ICRA]A(Stable); ISSUER NOT COOPERATING	-	[ICRA]A(Stable)
2 Non-Fund Based-Others	Short Term	530.00	[ICRA]A4;ISSUER NOT COOPERATING	[ICRA]A4+; ISSUER NOT COOPERATING	[ICRA]A1; ISSUER NOT COOPERATING	-	[ICRA]A1
3 Fund Based-Cash Credit	Long Term	112.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB+(Stable); ISSUER NOT COOPERATING	[ICRA]A(Stable); ISSUER NOT COOPERATING	-	[ICRA]A(Stable)
4 Unallocated	Short Term	106.40	[ICRA]A4;ISSUER NOT COOPERATING	[ICRA]A4+; ISSUER NOT COOPERATING	[ICRA]A1; ISSUER NOT COOPERATING	-	[ICRA]A1

Complexity level of the rated instrument

Instrument	Complexity Indicator
Fund Based- Term Loan	Simple
Non-Fund Based- Others	Very Simple
Fund Based- Cash Credit	Simple
Unallocated	Not Applicable

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	Fund Based- Term Loan 1	Mar -2016	-	April 2029	10.49	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Fund Based- Term Loan 2	Mar -2019	-	Sep -2024	16.28	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Fund Based- Term Loan 3	Sep-2014	-	Jun 2029	28.02	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Non-Fund Based-Others	-	-	-	530.00	[ICRA]A4;ISSUER NOT COOPERATING
NA	Fund Based-Cash Credit	-	-	-	112.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	106.40	[ICRA]A4;ISSUER NOT COOPERATING

Source: Iron Triangle Limited

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

ANALYST CONTACTS

Ashish Modani

+91 020 6606 9912

Ashish.modani@icraindia.com

Subhechha Banerjee

+91 33 7150 1130

subhechha.banerjee@icraindia.com

Sweety Shaw

+91-033 7150 1180

sweety.shaw@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar

+91-022-61693300

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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