

March 14, 2024

Grand Prix Engineering (P) Ltd.: Ratings Withdrawn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Long Term-Fund Based-Cash Credit	12.00	12.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING; Withdrawn
Short Term-Non-Fund Based-Others	23.00	23.00	[ICRA]A4; ISSUER NOT COOPERATING; Withdrawn
Issuer Rating	-	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING; Withdrawn
Total	35.00	35.00	

*Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the ratings assigned to the Bank facilities and Issuer Rating of Grand Prix Engineering (P) Ltd. at the request of the company and based on the No Objection Mail/Closure Certificate received from the bankers. 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 and their description, Liquidity Position, Rating Sensitivities, have not been captured as the rated instruments are being withdrawn.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	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology ICRA Policy on Withdrawal of Credit Ratings
Parent/Group Support	Not Applicable
Consolidation/Standalone	Standalone

About the company

Grand Prix Engineering (P) Ltd. is involved in design, engineering, manufacture, and supply of pressure vessels (inCS/LTCS/SS/LAS/Clad), process equipment and skid mounted packages/systems worldwide. Established in 1970, the company has over four decades of experience. It has in-house process and mechanical design capabilities, offering customized solutions to various clients in oil and gas, petrochemicals, refining, chemicals, power, steel, fertiliser and metallurgical industries. In FY2019, the company reported a net profit of Rs. 7.1 crore on an OI of Rs. 54.8 crore compared to a net profit of Rs. 5.5 crore on an OI of Rs. 41.2 crore in the previous year.

Key Financial Indicator

	FY2022 (in crore)	FY2023 (in crore)
Operating income	51.2	65.1
PAT	0.3	1.2
OPBDIT/OI	4.3%	5.6%
PAT/OI	0.5%	1.8%
RoCE (%)	2.2%	3.7%
Total outside liabilities/Tangible net worth (times)	0.7	0.7
Total debt/OPBDIT (times)	10.5	8.3
Interest coverage (times)	2.4	2.5

Source: MCA

Status of non-cooperation with previous CRA: NA

Any other information: None

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 FY2023	Date & Rating in FY2022	Date & Rating in FY2021		
				Mar 14, 2024	Jul 10, 2023	Jan 31, 2023	Nov 29, 2021	Aug 13, 2020	Jul 06, 2020	
1 Cash Credit	Long Term	12.00	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING; Withdrawn	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING	[ICRA]BBB- (Stable)	-	
2 Non-Fund based	Short Term	23.00	-	[ICRA]A4; ISSUER NOT COOPERATING; Withdrawn	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4+; ISSUER NOT COOPERATING	[ICRA]A3	-	
3 Issuer Rating	Long Term	-	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING; Withdrawn	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Non-Fund based	Very Simple
Issuer Rating	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	Cash Credit	-	-	-	12.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING; Withdrawn
NA	Non-Fund based	-	-	-	23.00	[ICRA]A4; ISSUER NOT COOPERATING; Withdrawn
NA	Issuer Rating	-	-	-	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING; Withdrawn

Source: Grand Prix Engineering (P) Ltd.

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

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