



## Press Release

**Amitasha Enterprises Private Limited (AEPL)**

**March 11, 2025**

### Ratings

Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities-Term Loan	4.80	IVR BBB- /Stable, (IVR Triple B Minus with stable outlook)	IVR BB+/Stable (IVR Double B Plus with Stable Outlook)	Rating Upgraded	<a href="#">simple</a>
Long Term Bank Facilities-Cash Credit	36.40	IVR BBB- /Stable, (IVR Triple B Minus with stable outlook)	IVR BB+/Stable (IVR Double B Plus with Stable Outlook)	Rating Upgraded	<a href="#">simple</a>
Short Term Bank Facilities-Letter of credit	21.90	IVR A3(IVR A Three)	IVR A4+ (IVR A Four Plus)	Rating Upgraded	<a href="#">simple</a>
Long Term/Short Term Bank Facilities-Bank Guarantee	11.10	IVR BBB- /Stable, (IVR Triple B Minus with stable outlook) IVR A3(IVR A Three)	IVR BB+/Stable (IVR Double B Plus with Stable Outlook)/ IVR A4+ (IVR A Four Plus)	Rating Upgraded	<a href="#">simple</a>
Long Term/Short Term Bank facilities- Proposed Facilities	4.31	IVR BBB- /Stable, (IVR Triple B Minus with stable outlook) IVR A3(IVR A Three)	--	Rating Assigned	<a href="#">simple</a>
<b>Total</b>	<b>78.51 (Seventy-Eight Crore and Fifty-One Lakh)</b>				

**Details of Facilities are in Annexure 1. Facility wise lender details are at Annexure 2.**

**Detailed explanation of covenants is at Annexure 3.**



## Press Release

### **Detailed Rationale**

Infomerics Ratings has Upgraded/Assigned its rating assigned to the bank facilities of AEPL due to improvement in the operational and financial risk profile of the company in FY24(1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024). The ratings are also supported by location specific benefits and a diversified client base, moderate capital structure, experienced promoters and management team. The ratings are constrained by intensely competitive industry and working capital intensive nature of operations.

The 'Stable' outlook reflects stability of revenues on the basis of order book and diversification of revenues across domestic sales and exports. Additionally, the large investments earmarked by the government for enhancement of inter-regional power transmission capacity augurs well for the company over the medium term.

### **Key Rating Sensitivities:**

#### **Upward Factors**

- Substantial & sustained improvement in revenue backed by order book growth and profitability leading to improvement in debt protection metrics.

#### **Downward Factors**

- Any decline in revenue and/or profitability leading to deterioration in liquidity position and/or debt protection metrics.

### **List of Key Rating Drivers with Detailed Description**

#### **Key Rating Strengths**

##### **Location specific benefits & diversified client base**

Being located at Nagpur has given AEPL a large logistic advantage in terms of easy and fast procurement of major raw materials like steel, zinc and fuel oil. Nagpur has now emerged as a big hub for rolled steel angle sections, which constitute about 90% of the tower components. This has enabled AEPL to maintain relatively low inventory as the planning and procurement is more or less on Just in Time basis. With promoters' extensive experience, established network and effective completion of projects within the scheduled time, the company has been able to build up a diversified client base.



## Press Release

The clientele ranges in sectors across Transmission and Distribution, Railway Electrification Structures, Telecommunication Towers and Galvanized Structures. In order to mitigate the risk associated of being involved with one particular end user industry, the Company has gradually diversified away from EPC contracts related to power transmission projects, and into solar panel support structure manufacturing as well.

### **Moderate capital structure**

The capital structure is marked moderate by modest net worth and gearing. The net worth of the company stood at INR78.81 Crore as on March 31st, 2024, as against INR77.95 Crore on end FY23, on account of sustained accumulation of profits into reserves. Working capital borrowings and redeemable debentures majorly accounted for the company's total debt exposure. Modest capital structure coupled with restrained debt levels maintained the overall gearing levels at 0.73x as on March 31st, 2024, when compared to 0.87x as on March 31st, 2023. Further, the TOL/TNW of the company stood at 1.01x as on end FY24 as against 1.06x on end FY23.

### **Experience promoters and management team**

The Company is being managed by experienced directors, Mr. Rajendra Singh (Managing Director) and Mr. Yogendra. M. Singh (Director). Collectively, they have rich experience in the particular industry and are instrumental in setting up and developing the company. Having operated in industry since years now, the promoters have established a strong network with suppliers and customers. The company has a team of experienced and capable professionals, having over two decades of experience in the segment, to look after the overall management. The day-to-day operations of the company are looked after by the senior management having considerable experience with technological background.

### **Key Rating Weaknesses**

#### **Intensely competitive industry**

Given marginal capital investment requirements and low technical complexity, the steel fabrication industry is highly fragmented with numerous unorganized players. Further, there are organized domestic players as well as international suppliers, who work in



## Press Release

joint venture with domestic companies or as subcontractors for large companies, posing intense competition.

### **Working capital intensive nature of operation**

The company's revenue is skewed towards the last two quarters with higher proportion in the last quarter of the fiscal. Consequently, the year-end receivables are generally high, however the same has improved on y-o-y basis in last two years from 177 days as on end FY21 to 58 days as on end FY24 on the back of constant recovery of the pending receivables. However, the operating cycle stood at 160 days in FY24 (FY23:235 days)

**Analytical Approach:** Standalone Approach

**Applicable Criteria:**

[Rating Methodology for Infrastructure Companies](#)

[Financial Ratios & Interpretation \(Non- Financial Sector\)](#)

[Criteria of assigning Rating Outlook.](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)

**Liquidity** - Adequate

The liquidity position of the company is adequate. Further, the company had gross cash accruals of Rs.4.01 Crore in FY24 as against the repayment of Rs. 2.86 crore. The GCA is expected to be adequate to meet scheduled repayments in FY25 as well as in the next two years. The overall CC utilisation during the last 12 months ended December 31, 2024, at around 79.34%. The current ratio stood at 1.46 times as on 31st March 2024.

### **About the Company**

Amitasha Enterprises Private limited was established in 1993 for construction of Transmission Line Towers, Substation, Structures, Telecommunication towers, Electrification structures, Solar structures and Railway electrification poles. The company, after a successful business existence of past twenty-five years with KEC International Ltd., Power Grid Corporation of



## Press Release

India Ltd., various State Electricity Boards and International buyers, has touched manufacturing capacity up to 42,000 MT per annum. The company has two manufacturing facilities set up in Hingna Road Industrial Area of Nagpur.

### Financials Standalone

(Rs. crore)		
For the year ended/ As on*	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	122.52	169.27
EBITDA	6.35	10.34
PAT	1.03	0.83
Total Debt	68.20	57.87
Tangible Net Worth	77.95	78.81
EBITDA Margin (%)	5.18	6.11
PAT Margin (%)	0.82	0.48
Overall Gearing Ratio (x)	0.87	0.73
Interest Coverage (x)	0.90	1.28

\* As per Infomerics Standard

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Nil

Rating History for last three years:

Rating history for last three years.							
Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2022-23
Press Release			March 11,2025		February 01,2024	November 15,2022	July 05,2022
1.	Term Loan	Long Term	4.80	IVR BBB-/Stable	IVR BB+/Stable	IVR BBB-/Stable	IVR BB+; ISSUER NOT COOPERATING
2.	Cash Credit	Long Term	36.40	IVR BBB-/Stable	IVR BB+/Stable	IVR BBB-/Stable	IVR BB+; ISSUER NOT COOPERATING
3.	Letter of Credit	Short Term	21.90	IVR A3	IVR A4+	IVR A3	IVR A4+; ISSUER NOT



## Press Release

Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstandi ng (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in in 2022-23
Press Release			March 11,2025		February 01,2024	November 15,2022	July 05,2022
							COOPERATI NG
4.	Bank Guarantee	Long Term/Short Term	11.10	IVR BBB- /Stable, IVR A3	IVR BB+ /Stable, IVR A4+	IVR BBB- /Stable, IVR A3	IVR BB+; ISSUER NOT COOPERATI NG and IVR A4+; ISSUER NOT COOPERATI NG
5.	Proposed	Long Term/Short Term	4.31	IVR BBB- /Stable, IVR A3	--	--	--

### Analytical contacts:

Name: Sudarshan Shreenivas  
Tel: (022) 62396023  
Email:sudarshan.shreenivas@infomerics.com

### About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.



## Press Release

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit [www.infomerics.com](http://www.infomerics.com).

**Disclaimer:** Infomerics' ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities or to sanction, renew, disburse or recall the concerned bank facilities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan	--	--	April 2025	0.65	IVR BBB-/Stable
Term Loan	--	--	May 2027	2.35	IVR BBB-/Stable
Term Loan	--	--	April 2025	0.32	IVR BBB-/Stable
Term Loan	--	--	December 2026	1.48	IVR BBB-/Stable
Cash Credit	--	--	--	36.40	IVR BBB-/Stable
Letter of Credit	--	--	--	21.90	IVR A3
Bank Guarantee	--	--	--	11.10	IVR BBB-/Stable, IVR A3
Proposed Facility	--	--	--	4.31	IVR BBB-/Stable, IVR A3

### Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Len-Amitasha-Enterprises-11mar25.pdf>

**Annexure 3: Detailed explanation of covenants of the rated instrument/facilities:** Not Applicable

**Annexure 4: List of companies considered for consolidated analysis:** Not Applicable



## Press Release

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).

