



## Press Release

### Innovators Façade Systems Limited (IFSL)

June 13, 2025

#### Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Long Term Bank Facilities	59.43	IVR BBB/ Positive (IVR Triple B with Positive Outlook)	IVR BBB/ Stable (IVR Triple B with Stable Outlook)	Rating reaffirmed and outlook revised from Stable to Positive	Simple
Short Term Bank Facilities	190.00	IVR A3+ (IVR A Three Plus)	IVR A3+ (IVR A Three Plus)	Rating reaffirmed	Simple
<b>Total</b>	<b>249.43</b> <b>(Rupees Two Hundred Forty Nine crore and Forty Three lakh only)</b>				

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

Detailed explanation of covenants is at Annexure 3.

#### Detailed Rationale

Infomerics has reaffirmed its rating assigned to the bank facilities of IFSL as continues to derive strength from y-o-y increasing scale of operations along with improvement in margins, comfortable capital structure, healthy orderbook position and long track record and established presence in façade engineering. The ratings are however constrained by volatility in input prices and risks related to cyclicalities in real estate industry.

The revision in outlook to Positive reflects improvement in revenue and margins along with comfortable debt protection metrics which is expected to improve further in the upcoming years.



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### **Key Rating Sensitivities:**

#### **Upward Factors**

- Substantial and sustained improvement in the company's revenue and / or profitability while maintaining the debt protection parameters.

#### **Downward Factors**

- Any decline in scale of operations and/or profitability leading to sustained deterioration of liquidity and/or debt protection parameters.

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

#### **Key Rating Strengths**

##### **Increasing scale of operations along with improvement in margins**

IFSL's revenue has improved to Rs. 221.37 crore in FY25 (refers to period from April 1, 2024 to March 31, 2025) from Rs. 181.17 crore in FY23 on account of increase in receipt of repeat orders from existing customers and receipt of new orders from new customers and timely execution of the orders.

However, EBITDA margins have improved to 14.61% in FY25 from 10.04% in FY23 supported by improvement in scale of operations.

##### **Comfortable capital structure**

IFSL's capital structure continued to remain comfortable as overall gearing remained at similar level at 0.43x in FY25 from 0.34x in FY24. However, TOL/TONW has improved to 0.84x in FY25 from 0.99x in FY24 due to improvement in Tangible Net Worth. Further, interest coverage ratio also remained at similar level at 3.44x in FY25 from 3.42x in FY24. However, Total debt/ NCA ratio has deteriorated to 2.80x in FY25 from 2.22x in FY24 due to increase in working capital borrowings.

##### **Healthy Orderbook position**

The order book position stood at Rs. 357.16 crore as on February, 2025 (1.66x of FY24 revenue) providing medium revenue visibility. The ability of the company to execute its orderbook on a timely basis as well as to generate cash flows as anticipated remains crucial from credit perspective. Further majority of the orders in the order book are from reputed clients and good payment track record.



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### **Long track record and established presence in façade engineering**

Incorporated in 1999, IFSL is into design, engineering, fabrication, assembly and erection of custom facade systems, providing complete design-build services. The product line of the company includes glazing/curtain walls, high end doors and windows, skylights, canopies, louver, stone cladding, metal cladding and roofing etc.

### **Key Rating Weaknesses**

#### **Volatility in input prices**

IFSL's exposed to raw material prices volatility as it constitutes 80% of the total cost. Any significant volatile prices in raw materials prices of Aluminium and Glass will have impact on the profitability of IFSL. However, this is mitigated as IFSL has a ability to pass on increase in raw material prices.

#### **Risks related to cyclicity in real estate industry**

The company has an order book spreading across residential, commercial and orders from companies for their corporate offices. This exposes the company to volatility in the real estate sector as well as overall economic growth (co-related to new corporate office requirements) though diversification in the form of direct corporate client as well as real-estate developer segments insulates it to some extent. The company is also concentrating on export orders thereby reducing its dependency on domestic market and thus reducing the risk associated with real estate sector.

### **Analytical Approach: Standalone**

### **Applicable Criteria:**

[Rating Methodology for Infrastructure Companies](#)

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

[Criteria on assigning rating outlook](#)

[Criteria on Default Recognition and Post-Default Curing Period](#)



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### Complexity Level of Rated Instruments/Facilities

#### **Liquidity – Adequate**

The liquidity position of the company remains adequate as cash accruals are expected to match adequately with debt repayment obligations. The free cash and bank balance as on March 31, 2025, stood at Rs. 5.49 crore. The average working capital utilization for 12 months ending March, 2025 has been 67.41%. The current ratio and quick ratio stood at 1.69x and 1.18x respectively in FY25.

#### **About the Company**

IFSL has its expertise in the design, engineering, fabrication, assembly and erection of custom facade systems, providing complete design-build services. The product line of the company includes glazing/curtain walls, high end doors and windows, skylights, canopies, louver, stone cladding, metal cladding and roofing. IFSL has its fabrication and glazing facilities under one large roof with state-of-the-art facility at Wada, Thane in Maharashtra spread over area of 1.25 lakh square feet.

#### **Financials (Standalone):**

	(Rs. crore)	
For the year ended/ As on*	31-03-2024	31-03-2025
	Audited	Audited
Total Operating Income	215.11	221.37
EBITDA	28.45	32.35
PAT	15.17	15.78
Total Debt	43.15	60.63
Tangible Net Worth	126.97	142.55
EBITDA Margin (%)	13.22	14.61
PAT Margin (%)	6.94	7.03
Overall Gearing Ratio (x)	0.34	0.43
Interest Coverage (x)	3.42	3.44

*\*Classification as per Infomerics' standards*

**Status of non-cooperation with previous CRA: Nil**

**Any other information: Nil**



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### Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25 (April 29, 2024)	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23 (March 3, 2023)
1.	Term Loan	Long Term	9.43	IVR BBB/ Positive	IVR BBB/ Stable	--	IVR BBB/ Stable
2.	Cash Credit	Long Term	50.00	IVR BBB/ Positive	IVR BBB/ Stable	--	IVR BBB/ Stable
3.	Bank Guarantee	Short Term	130.00	IVR A3+	IVR A3+	--	IVR A3+
4.	Letter of Credit	Short Term	60.00	IVR A3+	IVR A3+	--	IVR A3+

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### 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.



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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.

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).

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### 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	--	--	July, 2026	9.43	IVR BBB/ Positive
Cash Credit	--	--	--	50.00	IVR BBB/ Positive
Bank Guarantee	--	--	--	130.00	IVR A3+
Letter of Credit	--	--	--	60.00	IVR A3+

### Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Len-Innovators-Facade-13june25.pdf>

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

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

**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).