



Press Release

Encorp Powertrans Private Limited

June 26, 2024

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities – Term Loan	6.35	IVR BB- /Negative outlook; ISSUER NOT COOPERATING (IVR double B minus with negative outlook; ISSUER NOT COOPERATING)	IVR BB+/Positive (IVR double B Plus with Positive outlook)	Rating downgraded, outlook changed to negative and rating moved to Issuer Not Cooperating Category	Simple
Long Term Bank Facilities – Cash Credit	30.00	IVR BB- /Negative outlook; ISSUER NOT COOPERATING (IVR double B minus with negative outlook; ISSUER NOT COOPERATING)	IVR BB+/Positive (IVR double B Plus with Positive outlook)	Rating downgraded, outlook changed to negative and rating moved to Issuer Not Cooperating Category	Simple
Short Term Bank Facilities – Letter of credit	25.00	IVR A4; ISSUER NOT COOPERATING (IVR A four; ISSUER NOT COOPERATING)	IVR A4+ (IVR A four Plus)	Rating downgraded and moved to Issuer Not Cooperating Category	Simple
Short Term Bank Facilities – Bank Guarantee	35.00	IVR A4; ISSUER NOT COOPERATING (IVR A four; ISSUER NOT COOPERATING)	IVR A4+ (IVR A four Plus)	Rating downgraded and moved to Issuer Not Cooperating Category	Simple
Proposed Long term	10.00	IVR BB- /Negative outlook;	IVR BB+/Positive	Rating downgraded, outlook	Simple



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		ISSUER NOT COOPERATING (IVR double B minus with negative outlook; ISSUER NOT COOPERATING)	(IVR double B Plus with Positive outlook)	changed to negative and rating moved to Issuer Not Cooperating Category	
Proposed Short term	23.46	IVR A4; ISSUER NOT COOPERATING (IVR A four; ISSUER NOT COOPERATING)	IVR A4+ (IVR A four Plus)	Rating downgraded and moved to Issuer Not Cooperating Category	Simple
Total	129.81 (One hundred and twenty-nine crore and eighty one lakh only)				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics Ratings has downgraded its rating assigned to the Bank facilities of Encorp Powertrans Private Limited because of lack of adequate information available about the performance of the company and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy. 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 rating revision.



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Note on non-cooperation

Infomerics has repeatedly followed up with the company to provide information to monitor the rating(s) vide e-mail dated May 28, 2024, May 29, 2024, May 31, 2024, June 4, 2024, along with telephonic conversations. However, despite repeated requests, the company has failed to submit the essential details required for monitoring the ratings. Availability of information is very critical in rating exercise. In the absence of the relevant information, in consonance with SEBI guidelines, the long-term and short-term ratings of the bank loan facilities aggregating to Rs. 129.81 Crore of Encorp Powertrans Private Limited shall be moved to 'ISSUER NOT COOPERATING' category by Infomerics. The rating is now denoted as IVR BB-/ Negative Outlook; ISSUER NOT COOPERATING [pronounced IVR Double B Minus with Negative Outlook; ISSUER NOT COOPERATING] and IVR A4 ISSUER NOT COOPERATING [IVR A Four ISSUER NOT COOPERATING]. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing Companies](#)

[Criteria on assigning rating outlook](#)

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

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

[Policy on issuer not cooperating](#)

About the Company

Encorp Powertrans Private Limited (EPPL), formed in 2008, was promoted by Rahul Nowal. Its plant was set up at Tarapur, Maharashtra. EPPL offers fabrication and galvanizing facilities to cater to the tower and infrastructure industry. It offers a wide array of engineering services ranging from plate fabrication, machining & assembly, structural steel fabrication (punching, shearing, notching, bending, etc.), sheet metal fabrication and hot dip galvanizing through its transmission line towers (TLT) & General Electrical verticals.



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Financials (Standalone):

For the year ended/ As on*	(Rs. crore)	
	31-03-2021	31-03-2022
	Audited	Audited
Total Operating Income	123.71	162.60
EBITDA	9.72	8.61
PAT	0.68	1.79
Total Debt	68.58	75.56
Tangible Net Worth	24.50	25.65
EBITDA Margin (%)	7.86	5.30
PAT Margin (%)	0.54	1.09
Overall Gearing Ratio (x)	2.80	2.95
Interest Coverage (x)	1.55	1.74

* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: INDIA Ratings moved the ratings of bank facilities of EPPL in the 'Issuer Not Cooperating' category vide Press Release dated March 14, 2024, due to non-submission of information by the company.

Any other information: Not Applicable

Rating History for last three years:

S r. N o .	Name of Security/F acilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type (Long Term/Sho rt Term)	Amou nt outsta nding (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 2021-2022
					Date (May 18, 2023)	Date (May 25, 2022)	Date:
1	Long Term Bank Facilities – Term Loan	Long Term	6.35	IVR BB-/Negative outlook; INC (IVR double B minus with negative outlook; ISSUER NOT COOPERATING)	IVR BB+/ Positive (IVR double B Plus with Positive outlook)	IVR BB+/-Stable; INC (IVR double B Plus with Stable outlook; ISSUER NOT COOPERATI NG)	-



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S r. N o .	Name of Security/F acilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type (Long Term/Sho rt Term)	Amou nt outsta nding (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 2021-2022
					Date (May 18, 2023)	Date (May 25, 2022)	Date:
2	Long Term Bank Facilities – Cash Credit	Long Term	30.00	IVR BB-/Negative outlook; INC (IVR double B minus with negative outlook; ISSUER NOT COOPERATING)	IVR BB+/Positive (IVR double B Plus with Positive outlook)	IVR BB+/Stable; INC (IVR double B Plus with Stable outlook; ISSUER NOT COOPERATING)	-
3	Short Term Bank Facilities – Letter of credit	Short Term	25.00	IVR A4; INC (IVR A four; ISSUER NOT COOPERATING)	IVR A4+ (IVR A four Plus)	IVR A4+/INC (IVR A four Plus; ISSUER NOT COOPERATING)	-
4	Short Term Bank Facilities – Bank Guarantee	Short Term	35.00	IVR A4; INC (IVR A four; ISSUER NOT COOPERATING)	IVR A4+ (IVR A four Plus)	IVR A4+/INC (IVR A four Plus; ISSUER NOT COOPERATING)	-
5	Proposed Long term	Long Term	10.00	IVR BB-/Negative outlook; INC (IVR double B minus with negative outlook; ISSUER NOT COOPERATING)	IVR BB+/Positive (IVR double B Plus with Positive outlook)	-	-
6	Proposed Short term	Short Term	23.46	IVR A4; INC (IVR A four; ISSUER NOT COOPERATING)	IVR A4+ (IVR A four Plus)	-	-

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) 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.

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.

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Annexure 1: Facility Details

Name of Facility/Security	ISIN	Date of Issuance	Coupon Rate/IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/Outlook
Long Term Bank Facilities – Term Loan	-	-	-	2027	6.35	IVR BB-/Negative outlook;



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						ISSUER NOT COOPERATING (IVR double B minus with negative outlook; ISSUER NOT COOPERATING)
Long Term Bank Facilities – Cash Credit	-	-	-	-	30.00	IVR BB-/Negative outlook; ISSUER NOT COOPERATING (IVR double B minus with negative outlook; ISSUER NOT COOPERATING)
Short Term Bank Facilities – Letter of credit	-	-	-	-	25.00	IVR A4; ISSUER NOT COOPERATING (IVR A four; ISSUER NOT COOPERATING)
Short Term Bank Facilities – Bank Guarantee	-	-	-	-	35.00	IVR A4; ISSUER NOT COOPERATING (IVR A four; ISSUER NOT COOPERATING)
Proposed Long term	-	-	-	-	10.00	IVR BB-/Negative outlook; ISSUER NOT COOPERATING (IVR double B minus with negative outlook; ISSUER NOT COOPERATING)
Proposed Short term	-	-	-	-	23.46	IVR A4; ISSUER NOT COOPERATING



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						(IVR A four; ISSUER NOT COOPERATING)
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Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/len-Encorp-Powertrans-june24.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.