



Press Release

Fossil Business Solution Private Limited

June 14, 2023

Ratings:

Instrument / Facility	Amount (Rs. Crore)	Ratings	Rating Action	<u>Complexity Indicator</u>
Long Term Bank Facilities	5.00	IVR B+/Negative; Issuer Not Cooperating (IVR B plus with negative outlook; Issuer Not Cooperating)	Downgraded and remains in ISSUER NOT COOPERATING category	Simple
Total	5.00	(Rupees Five Crore only)		

** Issuer not cooperating; Based on best available information*

Details of Facilities are in Annexure 1

Detailed Rationale:

The rating is revised because of lack of adequate information regarding Fossil Business Solution Private Limited performance and hence 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 downgrade.

Non-cooperation by Issuer:

Infomerics has been regularly following up with the Company to provide the required data to monitor its assigned ratings to the bank facilities, vide mails communications April 5, 2023, April 6, 2023, April 10, 2023, April 11, 2023, April 13, 2023, and April 14, 2023 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the firm's management has not submitted all the essential details/information for surveillance exercise.



Press Release

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the bank loan ratings aggregating to Rs. 5.00 Crore of Fossil Business Solution Private Limited shall be continue to 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR B+; Negative outlook; ISSUER NOT COOPERATING based on best available information.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Trading Companies](#)

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

[Criteria for assigning ratings outlook](#)

[Policy on Issuer not cooperating and surveillance/review of existing rating](#)

About the Company

Fossil Business Solution Private Limited (FBSPL) was incorporated on November 7, 2013 by Mr. Tarun Kumar Agarwal and Mr. Ankit Agarwal of Kolkata, West Bengal. The company is engaged in trading and exporting of agriculture products (non-basmati rice to Singapore). Since 2016, the company forayed into laying, servicing and maintenance of optical fiber cable in order to diversify its operations. In FBSL, 69% of revenue is from trading of rice, rest from laying of duct and optical cables in FY'20.

Financials: Standalone

(INR Crore)

For the year ended* / INR. Crore	31-03-2019	31-03-2020
	Audited	Audited
Total Operating Income	37.16	35.82
EBITDA	3.59	4.10
PAT	1.40	1.71
Total Debt	11.93	11.34
Tangible Net Worth	4.34	6.06
Ratios		
EBITDA Margin (%)	9.66	11.43



Press Release

PAT Margin (%)	3.77	4.78
Overall Gearing Ratio (x)	2.75	1.87

*Classification as per Infomerics` standards

Status of non-cooperation with previous CRA

Acuite vide its press release dated November 03, 2022, has continued to classify the case under Issuer Not Cooperating category on account of non-submission of relevant information.

Any other information: Not Applicable

Rating History for last three years:

Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (April 22, 2022)	Date(s) & Rating(s) assigned in 2021- 22	Date(s) & Rating(s) assigned in 2020- 21 (March 8,2021)
1.	Long Term Bank Facilities	Long Term	5.00	IVR B+/Negative; Issuer Not Cooperating (IVR B plus with negative outlook; Issuer Not Cooperating)	IVR BB-; Issuer Not Cooperating (IVR Double B minus; Issuer Not Cooperating)	--	IVR BB/Stabl e (IVR double B with Stable outlook)
	Total		5.00	(Rupees Five crores only)			

* Issuer did not cooperate (INC); based on best available information.



Press Release

Name and Contact Details of the Rating Analyst:

Name: Abhijeet Tel: (011) 45579024 Email: abhijeet.kumar@infomerics.com	Name: Om Prakash Jain Tel: (011) 45579024 Email: opjain@infomerics.com
--	---

About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

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

For more information visit 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. 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. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. 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



Press Release

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities- Cash Credit	--	--	--	5.00	IVR B+/Negative Outlook; ISSUER NOT COOPERATING

** Issuer did not cooperate; based on best available information.*

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/Len-Fossil-Business-jun23.pdf>

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: 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.