



RATING RATIONALE

17Aug 2020

INFLAME APPLIANCES LIMITED

Brickwork Ratings downgraded the Long term ratings and Reaffirmed Short term rating for the Bank Loan Facilities of ₹ 5.60 Crores of Inflame Appliances Limited based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous (April, 2019)	Present
Fund Based OCC/ODBD	2.00	2.00	Long Term	BWR BB Stable Assigned	BWR B+ Stable Downgrade Issuer Not Cooperating#
Non Fund Based Bank Guarantee ILC/FLC	0.60 3.00	0.60 3.00	Short Term	BWR A4 Assigned	BWR A4 Reaffirmed Issuer Not Cooperating
Total	5.60	5.60	INR Five Crores Sixty Lakhs Only		

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

Issuer did not co-operate; based on best available information.

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

BWR downgraded the long term bank loan ratings of Inflame Appliances Limited to BWR B+ Stable and Reaffirmed short term rating of BWR A4 based on the best available information as the Issuer did not Cooperate.

BWR rated bank Loan facilities amounting to Rs.5.60 Crs (Fund based & Non Fund Based) of Inflame Appliances Limited on 23 April 2019. The rating assigned was a long term rating of BWR BB Stable and short term rating of BWR A4. The rating was due for review in April 2020. BWR took up with the issuer and bank but the issuer did not submit any information. As per feedback received from the banker the company account was taken over by HDFC Bank from Canara Bank in June 2019. The firm has also not provided No Default Statement. In the absence of adequate information from the issuer/Company, BWR is unable to assess the issuer's/Company's financial performance and its ability to service its debt and maintain a valid rating.



LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit ratings should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding of information required for a review of the rating.

KEY FINANCIAL INDICATORS (in ₹ Cr) [AS AVAILABLE WITH BWR]

Key Parameters	Units	FY17	FY18
Result Type		Audited	Audited
Operating Revenues	Crs	18.06	32.12
EBIDTA	Crs	1.80	0.81
PAT	Crs	1.24	0.43
Tangible Net Worth	Crs	0.75	9.41
TOL/TNW	Times	6.57	0.95
Current Ratio	Times	1.13	1.68

COMPANY PROFILE [AS AVAILABLE WITH BWR]

Inflame Appliances Limited was originally formed as a partnership firm in the name and style of M/s Techno Engineering Corporation. On October 16,2017 the partnership firm was thereafter converted into a public limited company. The company is engaged in manufacturing of LPG Gas stoves and Sheet Metal components. The company manufacturing facilities situated at Panchkula. The company is currently managed by Mr Aditya Kaushik and Mr Dinesh Kaushik.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY : NA



Rating History for the last three years (including withdrawal/suspended)

Instrument /Facilities	Current Rating			Rating History		
	Tenure (Long Term/ Short Term)	Amount (₹ Cr)	Rating	2019	2018	2017
Fund Based OCC/ODBD	Long Term	2.00	BWR B+ (Downgrade) Issuer Not Cooperating	BWR BB Stable Assigned	NA	NA
Non Fund Based Bank Guarantee ILC/FLC	Short Term	0.60 3.00	BWR A4 (Reaffirmed) Issuer Not Cooperating	BWR A4 Assigned	NA	NA
Total		5.60	INR Five Crores Sixty Lakhs Only			

^Issuer did not co-operate; based on best available information

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

[General Criteria](#)

[Approach to Financial Ratios](#)

[What Constitutes Non-Cooperation](#)

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ANNEXURE I

**Inflame Appliances Limited
Details of Bank Facilities rated by BWR**

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Total[₹ Cr]
1	Canara Bank	<u>Fund Based</u> OCC/ODBD	2.00	2.00
2.	Canara Bank	<u>Non Fund Based</u> Bank Guarantee ILC/FLC	Short Term [₹ Cr] 0.60 3.00	3.60
TOTAL INR Five Crores Sixty Lakhs Only				5.60

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About Brickwork Ratings : Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partners. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

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