

RUBIX BUSINESS CHECK REPORT

ABC Limited

January 2019

Business Facts



Elements	Details
Company Name	ABC Limited
Company Address	Kolkata - 700009, West Bengal, India
Other Address	-
Class of Company	Public Listed
Company Activity	The Company is engaged in Integrated Coal Management and Mining, Solar Cells and Module Manufacturing
Company Status	Active
Date of Incorporation	02-Mar-1987
Age of Company	32
Listing Status	Yes
Date of Last Balance Sheet	31-03-2018
Date of Last Annual General Meeting	07-08-2018
Authorized Capital	4904200
Paid Up Capital	3615000
Company Description	<p>ABC Limited is the flagship entity of the ABC Group.</p> <p>The Company has 16 subsidiary companies and 3 associate companies as on March 31, 2018.</p> <p>The equity shares of the company are listed with BSE & NSE.</p>
Company Number	+917326521111
Company Email	info@abc.com
Company Website	www.abc.com

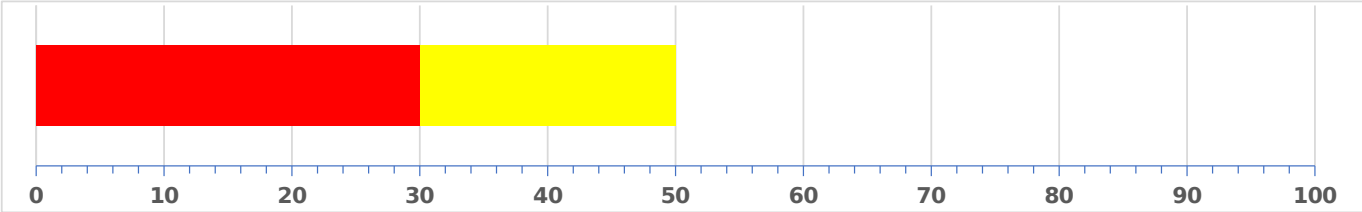
Product & Services



Product Category	Sub-Categories
Coal Mining & Trading	-
Renewable Energy Generation	-
Solar Manufacturing	-



Rubix Score



Risk Metric	Value
Risk Score	50
Risk Grade	Rx6

Grade	Min Score	Max Score	Grade Description	Category
Rx8	0	30	Highest Counterparty Risk	HIGH
Rx7	30	40	Very High Counterparty Risk	HIGH
Rx6	40	50	High Counterparty Risk	HIGH
Rx5	50	60	Above Average Counterparty Risk	MEDIUM
Rx4	60	70	Average Counterparty Risk	MEDIUM
Rx3	70	80	Below Average Counterparty Risk	LOW
Rx2	80	90	Low Counterparty Risk	LOW
Rx1	90	100	Lowest Counterparty Risk	LOW

Scorecard Rationale



Check	Observations	Status
Company Identity Check	<ul style="list-style-type: none"> Company Identity data is consistent across Government Identity databases. 	●
Compliance Check	<ul style="list-style-type: none"> GST returns have been filed till October 2018 for 25PAICR5957Q1ZC. EPF Filed until March 2018 for 623 Employees. ESIC filed for 28 Employees. CARE & Brickworks Ratings have withdrawn long term and short term ratings. The Company figures on the RBI defaulters list. 	●
Management Check	<ul style="list-style-type: none"> Promoters have significant business experience in the industry. Highly competent and qualified management. 	●
Financial Check	<ul style="list-style-type: none"> Average Debt-Equity ratio ~ 7.03 which shows more reliance on external funds. EBIT of the Company showed a decreasing trend during the period under review. The company incurred a loss in the FY 2018. Interest Coverage Ratio of the Company showed an uneven trend. Cash Flow from Operating Activities is negative for FY 18. The Company has no contingent liabilities on March 31, 2018. 	●
Operations	<ul style="list-style-type: none"> Robust quality assurance programme certified by global bodies. Diversified Domestic and International Presence. 	●
Social Media Check	<ul style="list-style-type: none"> Employee & Customer Feedback is satisfactory. 	●

Company ID Check



Database	Elements	Details	Status
MCA	Name	ABC Limited	●
MCA	CIN	L5100GJ1999PC01111	●
MCA	Address	Kolkata - 700009, West Bengal, India	●
MCA	Status	Active	●
MCA	Date of Incorporation	02-03-1987	●
GST	Name	ABC Limited	●
GST	GSTN	25PAICR5957Q1ZC	●
GST	Address	Kolkata - 700009, West Bengal, India	●
GST	Status	Active	●
GST	Date of Registration	01-07-2017	●
PF	Name	ABC Limited	●
PF	PF Number	WBAHD0025079000	●
PF	Address	Kolkata - 700009, West Bengal, India	●
PF	Status	Active	●
PF	Date of Coverage	01-09-1999	●
ESIC	Name	ABC Limited	●
ESIC	ESIC Code	37200198620001004	●
ESIC	Address	Kolkata - 700009, West Bengal, India	●
Income Tax	TIN	25013402448	●
Income Tax	PAN	PAICR5957Q	●
IEC	IEC Number	0888521993	●
IEC	Name	ABC Limited	●
IEC	Address	Kolkata - 700009, West Bengal, India	●

Key Compliance Check - Statutory Compliance [1/4]



Database	Check	Status
GST	Registered with GST on 01-07-2017. GST returns have been filed till October 2018 for 25PAICR5957Q1ZC.	●
Income Tax	1 Show cause notice of INR 3500 crores in 2014	●
MCA	No Record Found	●
PF / ESIC	EPF Filed until March 2018 for 623 Employees. ESIC filed for 28 Employees.	●
Customs / DGFT	No Record Found	●
Central Excise	No Record Found	●

Key Compliance Check - Credit [2/4]



Database	Check	Status
RBI Suit Filed Cases	No Record Found	●
RBI Defaulters	Yes	●
PF / ESIC	No Record Found	●
Utility	Unable to Comment	●
Debt Recovery Tribunals	No Record Found	●
External Credit Ratings	CARE has revised it's rating for the ABC Limited long term banking facilities from CARE B- to CARE D and short term banking facilities from CARE A4 to CARE D. ISSUER NOT COOPERATING.	●

Key Compliance Check - Legal [3/4]



Database	Check	Status
SEBI	In an order dated January 16, 2017 the Securities and Exchange Board of India (SEBI) settled the possible proceedings against ABC Limited related to alleged non-compliances by the firm of Sebi's ICDR (Issue of Capital and Disclosure Requirements) Regulations upon payment of INR 3,25,000.	●
NCLT	No Record Found	●
Competition Commission	Fair trade watchdog CCI has imposed a penalty of INR 35.67 crores on ABC Gas (subsidiary of ABC Limited) for violating competition norms by abusing its dominant market position.	●
Supreme Court	The Commissioner Of Customs vs ABC Ltd on 10 October, 2018 ABC Limited vs United India Insurance Co.Ltd. on 3 August, 2017 ABC Ltd. vs The State Trading Corporation Of India Ltd on 30 January, 2016	●
High Court	ABC Limited vs Union Of India And Ors on 21 September, 2018 ABC Ltd vs West Bengal Power Development Corporation Limited on 23 March, 2016 Principal Commissioner Of Income Tax 1 vs ABC Ltd on 19 September, 2017 Maharashtra State Electricity Distribution Co. Ltd vs ABC Limited on 28 March, 2017	●
Magistrate & Other Lower Courts	No Record Found	●
Tribunals	ABC Limited vs Addl. Commissioner of Income Tax on 1 January, 2016	●

Key Compliance Check - Other [4/4]



Database	Check	Status
Health Ministry	No Record Found	●
Government E-marketplace	No Record Found	●
Central Pollution Control Board	No Record Found	●

Management Details - Current Directorship [1/3]



Name of Executive	Designation	Date of Appointment	DIN / PAN	Director (Y / N)	Management (Y / N)
Mr. Shantanu Basu	Managing Director	10-Jun-2005	0000622	Yes	Yes
Mr. Amit Chadda	Whole Time Director	03-Mar-1999	0000673	Yes	Yes
Mr. Raju Patel	Director	31-Mar-2015	0000857	Yes	Yes
Mrs. Vandana Modi	Director	02-Dec-2016	0003255	Yes	Yes
Mr. Jitesh Sharma	Company Secretary	13-May-2017	AEIP53731D	No	Yes
Mr. Suryakant Yadav	Chief Financial Officer	10-May-2018	ABXP7380L	No	Yes

Management Details - Past Directorship [2/3]



Name of Executive	Designation	DIN / PAN	Date of Appointment	Date of Resignation
Mr. Rajesh Pillai	Director	0019269	16-Oct-1999	18-Dec-2000
Mr. Manish Yadav	Director	0029273	11-Feb-2000	15-Mar-2003
Mr. Sanjay Kothari	Director	0021278	29-Jan-2002	20-May-2007
Mr. Krishnamurthy R.	Director	0133877	22-Jul-2008	12-Apr-2012
Mr. Thyagarajan V.	Director	0001541	28-Aug-2008	27-Jan-2010

Management Details - Other Directorships [3/3]



Name of Executive	Name of Company / LLP	CIN / LLPIN	Date of Appointment
Mr. Shantanu Basu	PEL Private Limited	LS100R1979X001756	21-09-2018
Mr. Amit Chadda	GPR Limited	LS100MH1930008906	20-07-2015
Mr. Raju Patel	RSQ Limited	LS100TN199X008706	09-04-2016
Mr. Raju Patel	DEF Limited	LS110GJ0999X001919	09-02-2017

Shareholding Pattern



Name of Shareholder	Number of Shares	% Shareholding
Promoter & Promoter Group	2,21,680	71.00%
Public	89,820	29.00%

Balance Sheet



Particulars	31-Mar-2016	31-Mar-2017	31-Mar-2018
ASSETS	104,893,434.14	106,543,399.23	114,221,997.25
Non-current assets	49,057,080.83	47,176,734.80	49,299,607.64
Net Fixed Assets	47,257,740.83	46,010,903.80	44,682,889.64
Gross Fixed assets	52,893,499.37	54,295,553.33	55,689,035.09
Less: Depreciation	5,635,758.54	8,284,649.53	11,006,145.45
Intangible assets	0.00	0.00	0.00
Non-current Investments	6,000.00	6,000.00	6,000.00
Non-current Loans & Advances	0.00	0.00	0.00
Deferred tax assets (net)	1,793,340.00	1,159,831.00	4,610,718.00
Other non-current assets	0.00	0.00	0.00
Current assets	55,836,353.31	59,366,664.43	64,922,389.61
Inventories	13,011,996.53	26,901,780.09	37,642,933.41
Current Investments	0.00	0.00	0.00
Accounts receivables	38,782,218.64	18,261,727.64	18,288,012.49
Cash and cash equivalents	1,901,538.60	6,522,799.20	3,233,416.17
Current Loans & Advances	2,140,599.54	7,680,357.50	5,758,027.54
Other current assets	0.00	0.00	0.00
LIABILITIES	104,893,434.14	106,543,398.54	114,221,997.25
Equity	11,229,505.44	12,618,816.46	9,150,201.13
Share Capital	3,615,000.00	3,615,000.00	3,615,000.00
Share Premium	0.00	12,475,000.00	12,475,000.00
Total Reserves	0.00	0.00	0.00
Retained Earnings (Loss)	7,614,505.44	-3,471,183.54	-6,939,798.87
Non-current liabilities	52,541,227.00	51,276,343.00	57,576,427.00
Long-term Loans	52,541,227.00	51,276,343.00	57,576,427.00
Non-current Inter-company Loans	0.00	0.00	0.00
Loans from Directors / Shareholders / Others	0.00	0.00	0.00
Deferred tax liabilities (net)	0.00	0.00	0.00
Other non-current liabilities	0.00	0.00	0.00
Current liabilities	41,122,701.70	42,648,239.08	47,495,369.12
Accounts payable	15,660,552.21	12,408,184.74	14,209,741.03
Short-term Loans	14,743,426.38	22,331,243.34	27,176,627.57
Current Portion of Long-term debt	0.00	0.00	0.00
Provisions	10,718,723.11	7,908,811.00	6,109,000.52
Current Inter-company Loans	0.00	0.00	0.00
Income tax liabilities (net)	0.00	0.00	0.00
Other current liabilities	0.00	0.00	0.00

Profit & Loss



Particulars	FY2016	FY2017	FY2018
No of Months covered by P/L	12	12	12
Income / Revenue / Sales	103737620.41	118020309.53	80169232.31
Other Operating Income	0.00	0.00	0.00
Direct Expenditure	83385678.35	99544820.82	72244425.37
Raw Material Expenses, Stores, Packaging etc	69011180.35	80453341.82	52882416.37
Power and Fuel Expenses	0.00	0.00	0.00
Salaries and Wages	9357338.00	12410059.00	13405139.00
Other Operating Expenses	5017160.00	6681420.00	5956870.00
Gross Profit (Loss)	20351942.06	18475488.71	7924806.94
General & Administration Expenses	3539030.61	3812347.46	3939294.91
Selling Expenses	3238988.00	1128206.00	285183.30
Other overhead expenses	549831.84	860084.84	661890.81
EBITDA	13024091.61	12674850.41	3038437.92
Depreciation	2414351.63	2648890.99	2721495.92
Other Income	170080.00	265717.00	2258775.37
EBIT	10779819.98	10291676.42	2575717.37
Interest	8602923.00	8268855.40	9495221.00
Profit Before Tax & Extraordinary items	2176896.98	2022821.02	-6919503.63
Extraordinary Items	283191.59	0.00	0.00
Total Tax Provision	1846822.00	633510.00	-3450888.00
Profit After Tax	613266.57	1389311.02	-3468615.63

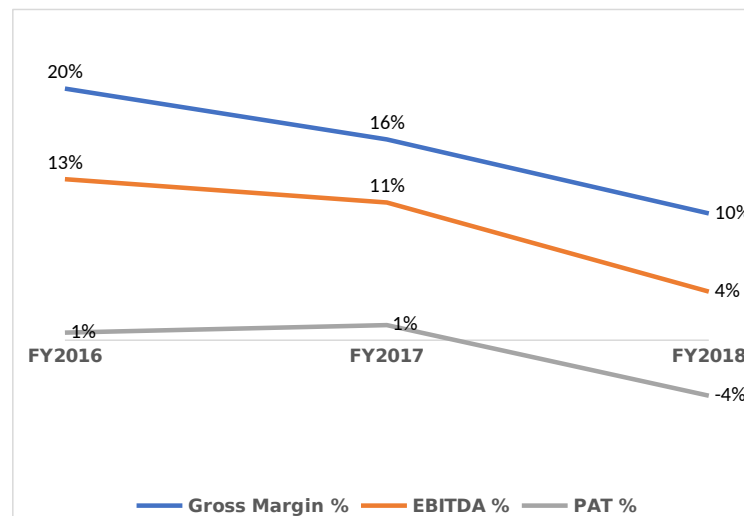
Profit & Loss Performance



Condensed Profit and Loss Account

Particulars	FY2016	FY2017	FY2018
Revenue	10.37	11.80	8.02
Other operating Income	0.00	0.00	0.00
Less: Direct Expenditure	8.34	9.95	7.22
Gross Margin	2.04	1.85	0.79
Less: Sales, General and Administrative	0.68	0.49	0.42
Less: Other expenses	0.05	0.09	0.07
EBITDA	1.30	1.27	0.30
Less: Depreciation	0.24	0.26	0.27
Add: Other Income	0.02	0.03	0.23
EBIT	1.08	1.03	0.26
Less: Interest	0.86	0.83	0.95
Profit before Tax and Extraordinary It	0.22	0.20	(0.69)
Add: Extraordinary Items	0.03	0.00	0.00
Less: Tax Provision	0.18	0.06	(0.35)
Profit After Tax & Extraordinary Items	0.06	0.14	(0.35)

INR Crores



Comments

- Revenue of the company has shown an uneven trend during the period under review.
- Interest expenses of the Company has shown an uneven trend in absolute terms during the period under review.
- Other Income of the company has shown increasing trend during the period under review. Other income comprises of interest income and balance write off.
- The Company has incurred Net Loss in FY 2018 mainly on account of increase in Interest expenses & decrease in turnover.
- EBIT of the company has shown a decreasing trend.

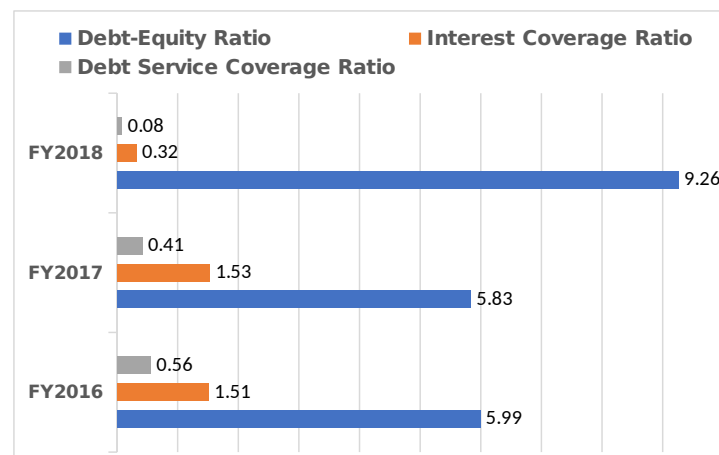
Balance Sheet Strength



Condensed Balance Sheet

Particulars	31-Mar-2016	31-Mar-2017	31-Mar-2018
Sources of Funds			
Total Shareholders funds	1.12	1.26	0.92
Non-Current Liabilities	5.25	5.13	5.76
Current Liabilities	4.11	4.26	4.75
Total Liabilities	10.49	10.65	11.42
Application of Funds			
Fixed Assets	4.73	4.60	4.47
Intangibles	0.00	0.00	0.00
Investments	0.00	0.00	0.00
Other Assets	0.18	0.12	0.46
Current Assets	5.58	5.94	6.49
Total Assets	10.49	10.65	11.42

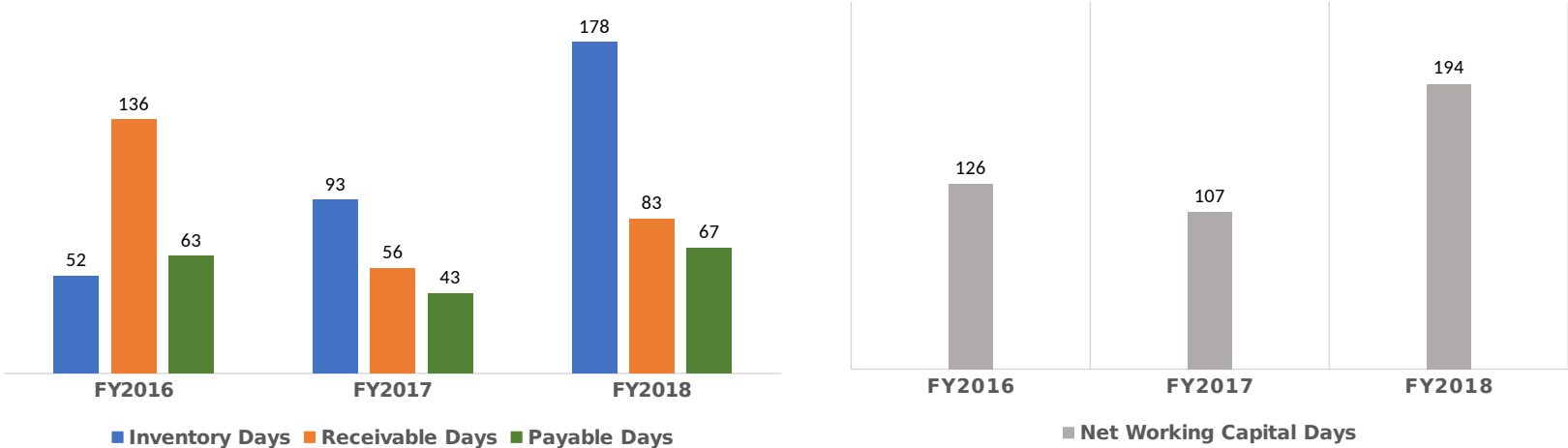
INR Crores



Comments

- Interest Coverage Ratio has shown an uneven trend during the period under review. In FY 2018, it stood at the lowest.
- Debt Service Coverage Ratio is below 1 indicates that Company has addition of short term borrowings to repay its old loans.
- Debt-Equity ratio is on the higher side in absolute terms. It reflects more reliance on external funds and it indicates limited room for additional borrowings.
- M/s XYZ & Associates are appointed as the Statutory Auditors for the company for period of FY 18.
- The company has no contingent liabilities as on FY 2018.

Working Capital Management



Comments

- On an average the total working capital cycle [Inventory days + Receivable days - Payable days] is 142 days indicating significant amount of working capital being blocked.
- The entity has a high accounts receivable days indicating that the company has a poor method of collecting and managing its credit. This also could be since major customers are State semi-Government Companies.
- The accounts payable days is moderate, indicating that the entity is getting average payment terms from its suppliers.
- Inventory days is increasing over the period of study. A high inventory days indicates that the entity is overstocking the inventory.

Index of Charges



#	SRN	Charge ID	Charge Holder Name	Date of Creation	Date of Modification	Amount
1	G8103483	08-Jan-31488	HDFC Bank Limited	16-Jan-2018	-	05-Sep-5141
2	G3253677	102380199	IndusInd Bank Limited	12-May-2016	-	1115847
3	H11714859	100923524	Indiabulls Commercial Credit Limited	09-Mar-2016	-	955260

Operations



Elements	Details
Holding Company	Not Applicable
Quality Certifications	ISO 9001:2016 ISO 13485: 2015
Memberships	IIEEMA
Awards & Recognition	Not Available
Domestic Presence	Pan India
International Presence	USA, Mexico, South Africa, Thailand and China
Social Media Score	Employee Feedback Employee Sentiment Score - 70 No. of Reviews - 62 Product Feedback Customer Sentiment Score - 80 No. of Reviews - 87
Trademark	-



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