

November 10, 2014

Facility	Amount (Rs. Crore)	Rating
<b>Cash Credit</b>	<b>15.00</b>	<b>SMERA B/Stable (Assigned)</b>
<b>Proposed Cash Credit</b>	<b>5.00</b>	<b>SMERA B/Stable (Assigned)</b>

SMERA has assigned a rating of '**SMERA B**' (read as **SMERA single B**) to the Rs.20.00 crore bank facility of Satman Traders (ST). The outlook is '**Stable**'. The rating is primarily constrained by the company's short track record of operations and limited geographical presence in an intensely competitive segment of the auto components industry. However, the rating is supported by the company's experienced management.

ST, established in 2013, is a New Delhi-based proprietorship concern engaged in trading of automotive spare parts and accessories. ST commenced commercial operations in July 2013. The firm's operations are concentrated within Delhi NCR. ST faces intense competition from several players in the auto components industry.

ST benefits from its experienced management. Mr. Pankaj Sharma, proprietor of ST, has around 10 years of experience in the auto components industry.

### **Outlook: Stable**

SMERA believes ST will maintain a stable business risk profile over the medium term. The firm will continue to benefit from its experienced management. The outlook may be revised to 'Positive' in case the firm registers substantial improvement in profitability and working capital management. The outlook may be revised to 'Negative' in case of stretch in the firm's working capital cycle, or in case of deterioration in the firm's capital structure.

### **About the firm**

ST, established in 2013, is a New Delhi-based proprietorship concern engaged in trading of automotive spare parts and accessories. ST commenced commercial operations in July 2013.

For FY2013-14 (refers to financial year, April 01 to March 31), ST reported profit after tax (PAT) of Rs.0.15 crore (provisional) on operating income of Rs.88.17 crore (provisional). The firm's net worth stood at Rs.4.42 crore (provisional) as on March 31, 2014.

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