

November 10, 2014

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

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.

**Disclaimer:** A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.smera.in](http://www.smera.in)) for the latest information on any instrument rated by SMERA.



SMERA RATINGS LIMITED

## Satman Traders (ST)

*Rating  
Rationale*

### Contact List

Media / Business Development	Analytical Contacts	Rating Desk
Virendra Goyal Vice President, Sales – SME Tel : +91-22-6714 1193 Cell: +91 98191 36541 Email: <a href="mailto:virendra.goyal@smera.in">virendra.goyal@smera.in</a> Web: <a href="http://www.smera.in">www.smera.in</a>	Ashutosh Satsangi Vice President – Operations Tel: +91-22-6714 1107 Email: <a href="mailto:ashutosh.satsangi@smera.in">ashutosh.satsangi@smera.in</a>	Tel: +91-22-67141170 Email: <a href="mailto:ratingdesk@smera.in">ratingdesk@smera.in</a>

**Disclaimer:** A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.smera.in](http://www.smera.in)) for the latest information on any instrument rated by SMERA.