

Press Release

Pioneer Profiles Private Limited (PPPL)

13 October, 2017

Rating Downgraded



Total Bank Facilities Rated*	Rs.9.50 Cr
Long Term Rating	SMERA D

**Refer Annexure for details*

Rating Rationale

SMERA has downgraded the long-term rating on the Rs. 9.50 crore bank facilities of Pioneer Profiles Private Limited (PPPL) to '**SMERA D**' (read as **SMERA D**) from '**SMERA B-**' (read as **SMERA B minus**).

PPPL, incorporated in 1988, is a Hyderabad-based company engaged in the manufacture of cold rolled strips and GP tapes used in various industries including pharmaceuticals, electronics and general engineering.

Key Rating Drivers

Strengths

Experienced management: The promoters, Mr. Mazher Abid, Mr. Mohammed Sohail and Mr. Tahera Begum have around a decade of experience in the said line of business.

Weaknesses

Delays in debt servicing: The rating continues to reflect delays in servicing of debt obligations by the company as mentioned in the CIBIL report dated 9th August 2017.

Analytical Approach

SMERA has considered the standalone business and financial risk profiles of PPPL.

About the Rated Entity - Key Financials

For FY2014-15, PPPL reported profit after tax (PAT) of Rs.0.06 crore on operating income of Rs.8.89 crore, compared with net loss of Rs.0.05 crore on operating income of Rs.3.92 crore in FY2013-14.

Status of non-cooperation with previous CRA- Not Applicable

Any other information: Not Applicable

Applicable Criteria:

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Manufacturing Entities - <https://www.smera.in/criteria-manufacturing.htm>
- Financial Ratios and Adjustments - <https://www.smera.in/criteria-fin-ratios.htm>

Note on complexity levels of the rated instrument

<https://www.smera.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
10-May, 16	Cash Credit	Long Term	1.50	SMERA B- / Stable (Reaffirmed)
	Term Loan (Proposed)	Long Term	3.50	SMERA B- / Stable (Reaffirmed)
	Cash Credit (Proposed)	Long Term	4.50	SMERA B- / Stable (Reaffirmed)
16-Feb, 15	Cash Credit	Long Term	1.50	SMERA B- / Stable (Assigned)
	Term Loan (Proposed)	Long Term	3.50	SMERA B- / Stable (Assigned)
	Cash Credit (Proposed)	Long Term	4.50	SMERA B- / Stable (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.50	SMERA D
Term Loan (Proposed)	Not Applicable	Not Applicable	Not Applicable	3.50	SMERA D
Cash Credit (Proposed)	Not Applicable	Not Applicable	Not Applicable	4.50	SMERA D

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