

Press Release

Water Jet Germany Private Limited

August 17, 2017

Rating Reaffirmed



Total Bank Facilities Rated*	Rs. 8.71 Cr.
Long Term Rating	SMERA D
Short Term Rating	SMERA D

* Refer Annexure for details

Rating Rationale

SMERA has reaffirmed long-term rating of '**SMERA D' (read as SMERA D)** and short term rating of '**SMERA D' (read as SMERA D)** on the Rs. 8.71 crore bank facilities of Water Jet Germany Private Limited.

Water Jet Germany Private Limited (WJGPL), incorporated in 2005 by Mr. Sivaraman Nair Krishnaprasad and Mr. S. Sriram, is engaged in the manufacturing of CNC cutting machines and systems at Chennai.

Key Rating Drivers

Strengths

- **Experienced management**

The promoters have more than two decades of experience in the capital goods industry.

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 29th June 2017.

Analytical Approach

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

About the Rated Entity - Key Financials

For FY2014-15 (refers to financial year April 01 to March 31), WJGPL reported net loss of Rs.3.36 crore on operating income of Rs.3.43 crore, compared with net loss of Rs.1.12 crore on operating income of Rs.5.65 crore in FY2013-14.

Status of non-cooperation with previous CRA (if applicable)

None

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>

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
18-Apr-2016	Cash Credit	Long Term	INR 1.4	SMERA D
	Term Loan I	Long Term	INR 0.32	SMERA D
	Term Loan II	Long Term	INR 0.64	SMERA D
	Term Loan III	Long Term	INR 2.25	SMERA D
	Working Capital Term Loan I	Long Term	INR 1.99	SMERA D
	Working Capital Term Loan II	Long Term	INR 0.69	SMERA D
	Funded Interest Term loan	Short Term	INR 0.69	SMERA D
	Letter of Credit	Short Term	INR 0.73	SMERA D
23-Mar-2015	Term Loan I	Long Term	INR 0.33	SMERA D
	Term Loan II	Long Term	INR 0.68	SMERA D
	Term Loan III	Long Term	INR 2.25	SMERA D
	Cash Credit	Long Term	INR 3	SMERA D
	Letter of Credit	Short Term	INR 1.5	SMERA D
	Bank Guarantee	Short Term	INR 0.95	SMERA D

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Term loans	Not Applicable	Not Applicable	Not Applicable	0.32	SMERA D
Term loans	Not Applicable	Not Applicable	Not Applicable	0.64	SMERA D
Term loans	Not Applicable	Not Applicable	Not Applicable	2.25	SMERA D
Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.40	SMERA D

Working capital demand loan (WCDL)	Not Applicable	Not Applicable	Not Applicable	1.99	SMERA D
Working capital demand loan (WCDL)	Not Applicable	Not Applicable	Not Applicable	0.69	SMERA D
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.69	SMERA D
Letter of credit	Not Applicable	Not Applicable	Not Applicable	0.73	SMERA D

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