

July 01, 2015

Facilities	Amount (Rs. Crore)	Rating
Cash Credit	5.00	SMERA BB+/Stable (Assigned)
Cash Credit - Proposed	5.00	SMERA BB+/Stable (Assigned)

SMERA has assigned a rating of '**SMERA BB+**' (**read as SMERA double B plus**) to the above mentioned bank limits of Pro Media (PM). The outlook is '**Stable**'. The rating derives comfort from the firm's experienced management and healthy revenue growth over the last three years. However, the rating is constrained by the firm's low profitability on account of the trading nature of business and working capital intensive operations.

Outlook: Stable

SMERA believes PM will continue to benefit from the promoters extensive experience over the medium term. The outlook may be revised to 'Positive' in case the firm registers healthy growth in revenues while improving its operating profitability leading to improvement in its financial risk profile. Conversely, the outlook may be revised to 'Negative' in case of decline in the firm's cash accruals, or in case of deterioration in its working capital management and financial risk profile.

About the Firm

PM, set up in 2007 is a Chennai-based firm promoted by Mr. Ameen. While the firm generates revenue from distribution of Panasonic and Sony products, a major part of the revenue comes in from trading in imported paper.

For FY2013-14, the firm reported (profit after tax) PAT of Rs.1.25 crore on operating income of Rs. 105.77 crore as compared with PAT of Rs.0.34 crore on operating income of Rs.23.79 crore for FY2012-13. For FY2014-15, the firm reported PAT of Rs.1.55 crore (provisional), on operating income of Rs. 157.08 crore (provisional).

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