

July 02, 2015

Facility	Amount(Rs. Crore)	Rating
Bank Guarantees	7.50	SMERA A4+ (Assigned)

SMERA has assigned a short-term rating of '**SMERA A4+**' (**read as SMERA A four plus**) to the Rs.7.50 crore bank facilities of Abhishek Millennium Contracts Private Limited (AMCPL). The rating is supported by the company's experienced management, long track record of operations and healthy operating margins. The rating also draws support from the company's reputed clientele, low reliance on debt, healthy financial profile and strong order book position. However, the ratings are constrained by the small scale of operations and intense market competition.

Incorporated in the year 2004 by Mr. Ashok Gupta and Manju Gupta, AMCPL undertakes sanitary and fire fighting contracts for hotels, educational institutions, commercial buildings among others.

The promoters of the company - Mr. Ashok Gupta and Manju Gupta have 17 years of experience in the industry. AMCPL's healthy financial risk profile is reflected in the operating profit margin of 8.58 per cent in FY2013-14 as compared to 8.01 percent in FY2012-13. The company achieved return on capital employed (RoCE) of 9.40 per cent in FY2013-14 which improved to 13.66 per cent (provisional) in FY2014-15. The company has comfortable debt protection metrics with low leverage (debt-equity ratio) of 0.12 times as on March31, 2014 as compared to 0.59 times in the previous year. The interest coverage ratio of the company stood at 4.57 times in FY2013-14 which improved to 22.27 times (provisional) in FY2014-15. The company caters to the needs of high profile clients including Grand Hyatt, The Park Hotel, Hilton Resorts, The Leela Group to name a few. AMCPL has a strong order book position with pending orders of Rs.150.685 crore.

About the Company

Incorporated in the year 2004 by Mr. Ashok Gupta and Manju Gupta, AMCPL undertakes sanitary and fire fighting contracts for hotels, educational institutions, commercial buildings among others. AMCPL reported profit after tax (PAT) of Rs.0.89 crore on operating income of Rs.16.38 crore for FY2013-14, as compared with PAT of Rs.0.81 crore on operating income of Rs.20.76 crore in FY2012-13. The company registered operating income of Rs.30.44 crore (provisional) for the period April 2014 to March 2015. AMCPL's net worth stood at Rs.14.28 crore as on March 31, 2014, as compared with Rs.13.39 crore a year earlier.

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) for the latest information on any instrument rated by SMERA.

Contact List:

Media / Business Development	Analytical Contacts	Rating Desk
Antony Jose Vice President – Business Development, Mid Corporate Tel: +91-22-6714 1191 Cell: +91 9820802479 Email: antony.jose@smera.in	Vinay Chhawchharia Associate Vice President- Corporate Ratings Tel: +91-22-6714 1156 Email: Vinay.chhawchharia@smera.in	Tel: +91-22-6714 1184 Email: ratingdesk@smera.in

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) for the latest information on any instrument rated by SMERA.