

Press Release
Punjab Stainless Steel Industries

November 14, 2018

Rating Update



Total Bank Facilities Rated*	Rs.70.92 Cr.#
Long Term Rating	ACUITE BB Issuer not co-operating*
Short Term Rating	ACUITE A4+ Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Rating Rationale

Acuité has reviewed the long-term rating of '**ACUITE BB**' (read as **ACUITE double B**) and the short-term rating of '**ACUITE A4+**' (read as **ACUITE A4 plus**) on the Rs.70.92 crore bank facilities of PUNJAB STAINLESS STEEL INDUSTRIES. This rating is now an indicative rating and is based on best available information.

Punjab Stainless Steel Industries (PSSI), is a Delhi-based partnership firm established in 1947 by Mr. Paramjit Singh, Mr. Preet Pal Singh, Mr. Harpal Singh and Mr. Prabhit Singh. The firm is engaged in the manufacture of stainless steel products (bottom cookware, flatware, kitchen tools etc) at Haryana. The installed capacity stands at 6000 tons per month.

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity – Key Financials

	Unit	FY17 (Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	86.57	80.72	82.57
EBITDA	Rs. Cr.	11.77	9.59	9.03
PAT	Rs. Cr.	4.48	4.81	3.84
EBITDA Margin	(%)	13.59	11.89	10.94
PAT Margin	(%)	5.18	5.95	4.65
ROCE	(%)	11.83	14.56	16.78
Total Debt/Tangible Net Worth	Times	2.35	2.31	1.68
PBDIT/Interest	Times	2.72	2.67	2.33
Total Debt/PBDIT	Times	4.65	4.49	3.17

Gross Current Assets (Days)	Days	217	201	164
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Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
04-Oct-2017	Term Loan	Long Term	9.98	ACUITE BB/Stable (Reaffirmed)
	PC/PCFC	Short Term	14.00	ACUITE A4+ (Reaffirmed)
	Post Shipment Credit	Short Term	32.00	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	5.00	ACUITE A4+ (Reaffirmed)
	Proposed Long Term Loan	Long Term	9.94	ACUITE BB/Stable (Reaffirmed)
13-Oct-2016	Term Loan	Long Term	19.46	ACUITE BB/Stable (Reaffirmed)
	PC/PCFC	Short Term	14.00	ACUITE A4+ (Reaffirmed)
	Post Shipment Credit	Short Term	32.00	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	5.00	ACUITE A4+ (Reaffirmed)
	Proposed Long Term Loan	Long Term	0.46	ACUITE BB/Stable (Assigned)
23-Jul-2015	Term Loan	Long Term	25.92	ACUITE BB/ Stable (Assigned)
	PC/PCFC	Short Term	14.00	ACUITE A4+ (Assigned)
	Post Shipment Credit	Short Term	26.00	ACUITE A4+

				(Assigned)
	Letter of Credit	Short Term	5.00	ACUITE A4+ (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
Term Loan	Not Applicable	Not Applicable	Not Applicable	9.98	ACUITE BB Issuer not co-operating*
PC/PCFC	Not Applicable	Not Applicable	Not Applicable	14.00	ACUITE A4+ Issuer not co-operating*
Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	32.00	ACUITE A4+ Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4+ Issuer not co-operating*
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	9.94	ACUITE BB Issuer not co-operating*

*The issuer did not co-operate; based on best available information.

Contacts

Analytical	Rating Desk
Aditya Gupta Head- Corporate and Infrastructure Sector Tel: 022-49294041 aditya.gupta@acuите.in Amogh Kharkar Analyst - Rating Operations Tel: 022-49294043 amogh.kharkar@acuiteatings.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuите.in

About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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