

Press Release

SHAKTI CONTAINERS PRIVATE LIMITED

April 30, 2019

Rating Withdrawn



Total Instruments Rated*	Rs. 8.98 Cr.
Long Term Rating	ACUITE BB+ (Withdrawn)
Short Term Rating	ACUITE A4+ (Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuite has withdrawn the long term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) and short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) to the Rs. 8.98 crore bank facilities of SHAKTI CONTAINERS PRIVATE LIMITED (SCPL). The rating withdrawal is in accordance with Acuite's 'Policy on Withdrawal of Rating'.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

Incorporated in 1984, SCPL is a Chennai-based company engaged in manufacture of plastic barrels ranging from 1 liter to 260 liters, catering to the needs of industries processing lubricating oils, chemicals and paints, among others. The day to day operations of the company are managed by Mr. Chhatarmal Baid and Mr. Vinith Kumar Baid. The company has facilities located at Sriperumbudur and Chennai in Tamil Nadu.

Analytical Approach

Acuite has considered the standalone financial and business risk profiles of SCPL to arrive at this rating.

About the Rated Entity Financials

	Unit	FY18 (Actual)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	53.04	47.47	40.61
EBITDA	Rs. Cr.	6.36	3.57	3.97
PAT	Rs. Cr.	2.86	1.21	1.48
EBITDA Margin	(%)	11.99	7.53	9.78
PAT Margin	(%)	5.39	2.56	3.65
ROCE	(%)	28.32	19.39	46.27
Total Debt/Tangible Net Worth	Times	1.32	1.11	1.46
PBDIT/Interest	Times	4.33	3.32	3.39
Total Debt/PBDIT	Times	2.08	2.21	2.18
Gross Current Assets (Days)	Days	176	117	143

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

None

Any other information

None

Applicable Criteria

- Manufacturing entities: <https://www.acuite.in/view-rating-criteria-4.htm>
- Application of Financial Ratios and Adjustments: <https://www.acuite.in/view-rating-criteria-20.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-17.htm>

Note on complexity levels of the rated instrument

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

Rating History (Upto last three years)

Date	Name of Instrument /Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
10 -May -18	Cash Credit	Long Term	3.00	ACUITE BB+/Stable (Assigned)
	Proposed Term Loan	Long Term	1.73	ACUITE BB+/Stable (Assigned)
	Letter of Credit	Short Term	4.00	ACUITE A4+ (Assigned)
	Bank Guarantee	Short Term	0.25	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
Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE BB+ (Withdrawn)
Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	1.73	ACUITE BB+ (Withdrawn)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE A4+ (Withdrawn)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.25	ACUITE A4+ (Withdrawn)

Contacts

Analytical	Rating Desk
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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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