

Annam Steels: Downgraded

Facility	Amount (Rs. Crore)	Rating/Outlook
Working Capital Demand Loan	42.75	SMERA D (Downgraded from SMERA B/Stable)

SMERA has downgraded the rating on the Rs.42.75 crore bank facility of Annam Steels (AS) to '**SMERA D' (read as SMERA D)** from '**SMERA B' (read as SMERA B)**. The rating reflects delays in servicing of debt by the firm.

Rating Sensitivity Factors

- Curing of default

Criteria applied to arrive at the ratings:

- Trading Entities

About the Company

AS, established in 1990, is a Chennai-based partnership firm promoted by Mr. Vijayakumar. The firm is a scrap dealer, and is currently engaged in the process of dismantling of plant and selling of scrap from NGEF Ltd.

In FY2013-14, the firm reported profit after tax (PAT) of Rs.0.08 crore on operating income of Rs.10.47 crore against PAT of Rs.0.16 crore on operating income of Rs.10.11 crore for FY2012-13. For FY2014-15, the firm reported PAT of Rs.0.17 crore (provisional) on operating income of Rs.10.41 crore.

Rating History

Date	Facilities	Amount (Rs. Crore)	Rating		Rating Outlook
			Long Term	Short Term	
11 September, 2015	Working Capital Demand Loan	42.75	SMERA B (Assigned)	-	Stable

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ABOUT SMERA

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