

October 26, 2015

Facility	Amount (Rs. Crore)	Rating
Packing Credit*#	13.00	SMERA A4 (Assigned)

**Fully interchangeable with packing credit in foreign Currency (PCFC), Foreign Bill Purchase (FBP) and Foreign bills of negotiation (FBN)*

#includes sublimit of Letter of Credit of Rs. 2 crore

SMERA has assigned a short-term rating of **SMERA A4 (read as SMERA A four)** to the Rs.13.00 crore bank facility of Industrial Technical Consultant (ITC). The rating is constrained by the small scale of operations, volatility in raw material prices and high order book concentration. However, the rating derives comfort from the firm's experienced management and healthy financial risk profile.

Rating Sensitivity Factors

- Improving the scale of operations while maintaining the profitability margins
- Working capital cycle
- Customer diversification

About the Firm

Industrial Technical Consultant (ITC), incorporated in 2000, is a Chhattisgarh-based firm that provides consultancy services on setting up of steel, power sector plants among others in India as well as overseas. The day-to-day operations of the firm are managed by Mr. S Narayanan and Ms. Kavita Sharma.

For FY2014-15, the firm reported profit after tax (PAT) of Rs.0.84 crore on operating income of Rs.14.63 crore as compared with PAT of Rs.1.00 crore on operating income of Rs.25.04 crore for FY2013-14. The firm's net worth stands at Rs.4.20 crore as on March 31, 2015 as compared with Rs.3.15 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.smerra.in) for the latest information on any instrument rated by SMERA.



SMERA RATINGS LIMITED

Industrial Technical Consultant (ITC)

Rating
Rationale

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