

Press Release

Scientific Security Management Services Private Limited

August 1, 2019

Rating Withdrawn



| | |
|-------------------------------------|-------------------------|
| Total Bank Facilities Rated* | Rs. 60.00 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| Long Term Rating | ACUITE BB+ Withdrawn |
| Short Term Rating | ACUITE A4+ Withdrawn |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Acuite has withdrawn the long-term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) and short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 60.00 crore bank facilities of SCIENTIFIC SECURITY MANAGEMENT SERVICES PRIVATE LIMITED (SSPL).

The rating has been withdrawn on account of request received from the company and NOC received from the banker.

Scientific Security Management Services Private Limited (SSPL), incorporated in 1974, is a New Delhi based company that provides manpower services (guards, housekeeping and security consultancy). The promoter, Mr. Sanjeev Paul, has around two decades of experience in the security and protection services industry.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Financial Ratios and Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Entities in Service Sector- <https://www.acuite.in/view-rating-criteria-8.htm>

About the Rated Entity - Key Financials

| | Unit | FY19 (Provisional) | FY18 (Actual) | FY17 (Actual) |
|-------------------------------|---------|--------------------|---------------|---------------|
| Operating Income | Rs. Cr. | 146.03 | 159.65 | 235.99 |
| EBITDA | Rs. Cr. | 8.14 | (6.88) | 16.81 |
| PAT | Rs. Cr. | (3.52) | (21.76) | 20.72 |
| EBITDA Margin | (%) | 5.57 | (4.31) | 7.12 |
| PAT Margin | (%) | (2.41) | (13.63) | 8.78 |
| ROCE | (%) | 6.16 | (21.31) | 39.14 |
| Total Debt/Tangible Net Worth | Times | 3.71 | 1.73 | 0.81 |
| PBDIT/Interest | Times | 0.72 | (2.24) | 4.29 |
| Total Debt/PBDIT | Times | 11.03 | (2.74) | 1.16 |
| Gross Current Assets (Days) | Days | 128 | 133 | 179 |

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

Not Applicable

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)

Acuite Ratings & Research Limited (erstwhile SMERA Ratings Limited)

www.acuite.in

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr.) | Ratings/Outlook |
|-------------|---------------------------------|------------|------------------|--------------------------------|
| 31-Aug-2018 | Cash Credit | Long Term | 12.00 | ACUITE BB+ (Indicative) |
| | Term Loan | Long Term | 2.09 | ACUITE BB+ (Indicative) |
| | Working Capital Demand Loan | Long Term | 1.00 | ACUITE BB+ (Indicative) |
| | Proposed Cash Credit | Long Term | 20.00 | ACUITE BB+ (Indicative) |
| | Proposed Long Term Loan | Long Term | 14.76 | ACUITE BB+ (Indicative) |
| | Bank Guarantee | Short Term | 10.15 | ACUITE A4+ (Indicative) |
| 10-Oct-2017 | Cash Credit | Long Term | 12.00 | ACUITE BB+/Stable (Downgraded) |
| | Term Loan | Long Term | 2.09 | ACUITE BB+/Stable (Downgraded) |
| | Working Capital Demand Loan | Long Term | 1.00 | ACUITE BB+/Stable (Downgraded) |
| | Proposed Cash Credit | Long Term | 20.00 | ACUITE BB+/Stable (Downgraded) |
| | Proposed Long Term Loan | Long Term | 14.76 | ACUITE BB+/Stable (Downgraded) |
| | Bank Guarantee | Short Term | 10.15 | ACUITE A4+ (Downgraded) |
| 11-Feb-2016 | Cash Credit | Long Term | 12.00 | ACUITE BBB-/Stable (Assigned) |
| | Term Loan | Long Term | 3.52 | ACUITE BBB-/Stable (Assigned) |
| | Working Capital Demand Loan | Long Term | 1.00 | ACUITE BBB-/Stable (Assigned) |
| | Proposed Cash Credit | Long Term | 20.00 | ACUITE BBB-/Stable (Assigned) |
| | Proposed Long Term Loan | Long Term | 3.48 | ACUITE BBB-/Stable (Assigned) |
| | Bank Guarantee | Short Term | 20.00 | ACUITE A3 (Assigned) |

***Annexure – Details of instruments rated**

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings/Outlook |
|-----------------------------|------------------|----------------|----------------|-----------------------------|------------------------|
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 12.00 | ACUITE BB+ (Withdrawn) |
| Term Loan | Not Applicable | Not Applicable | Not Applicable | 2.09 | ACUITE BB+ (Withdrawn) |
| Working Capital Demand Loan | Not Applicable | Not Applicable | Not Applicable | 1.00 | ACUITE BB+ (Withdrawn) |
| Proposed Cash Credit | Not Applicable | Not Applicable | Not Applicable | 20.00 | ACUITE BB+ (Withdrawn) |
| Proposed Long Term Loan | Not Applicable | Not Applicable | Not Applicable | 14.76 | ACUITE BB+ (Withdrawn) |
| Bank Guarantee | Not Applicable | Not Applicable | Not Applicable | 10.15 | ACUITE A4+ (Withdrawn) |

Contacts

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|--|---|
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About Acuite Ratings & Research:

Acuite 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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