

March 04, 2016

Facilities	Amount (Rs. Crore)	Ratings
Term Loan	6.39	SMERA B-/Stable (Assigned)
Cash Credit	2.50	SMERA B-/Stable (Assigned)
Letter of Credit	6.00	SMERA A4 (Assigned)

SMERA has assigned long-term rating of '**SMERA B-**' (read as **SMERA B minus**) and short term rating of '**SMERA A4**' (read as **SMERA A four**) on the above mentioned bank facilities of Rajshree Recycling Metals Private Limited (RRMPL). The outlook is '**Stable**'. The ratings are constrained by the high project implementation and funding risk and lack of track record of operations. However, the ratings derive comfort from the experienced management and proximity to source of raw material.

Outlook: Stable

SMERA believes RRMPL will maintain a stable business risk profile in the medium term. The outlook may be revised to 'Positive' in case the company completes the project on time without any significant time and cost overruns. Conversely, the outlook may be revised to 'Negative' in case of significant delays in project implementation.

Rating Sensitivity Factors

- Completing the project on schedule
- Timely tie up for funds

About the Company

RRMPL was established in 2015 by Mr. Vishal Kumar Arya and Mr. Mishal Kumar Arya. The company plans to set up a scrap recycling unit in Burdwan. The installed capacity of the unit is expected to be 54,000 MTPA and the commercial production is to commence from September, 2016.

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SMERA RATINGS LIMITED

Rajshree Recycling Metals Private Limited (RRMPL)

*Rating
Rationale*

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