

March 12, 2016

Facilities	Amount (Rs. Crore)	Rating
Cash Credit	7.00	SMERA BB-/Stable (Assigned)
Cash Credit (Proposed)	5.00	SMERA BB-/Stable (Assigned)

SMERA has assigned long term rating of '**SMERA BB-**' (read as **SMERA double B minus**) to the above mentioned Rs.12.00 crore bank facilities of Shiv Shakti Silver (SSS). The outlook is '**Stable**'. The ratings are constrained by the firm's low profitability, stretched liquidity and moderate financial risk profile. However, the rating draws comfort from the promoter's extensive industry experience and increasing revenue trend. The ratings also note susceptibility of profit margins to volatility in gold and silver prices.

#### Rating Sensitivity Factors

- Improvement in the financial risk profile and profitability

#### Outlook – Stable

SMERA believes that SSS will benefit from its promoter's extensive experience. The outlook may be revised to 'Positive' in case the firm improves its financial risk profile while registering growth in revenue and profitability. Conversely, the outlook may be revised to 'Negative' in case of decline in profitability and revenue or deterioration in the financial risk profile.

#### About The Firm

Established in 2005, Shiv Shakti Silver (SSS) is a proprietorship concern promoted by Mr. Prem Khanna. The firm is engaged in the manufacturing and wholesaling of gold and silver jewellery on job work basis at Delhi.

For FY2014-15, the firm reported net profit of Rs.0.17 crore on operating income of Rs.48.93 crore, as compared to net profit of Rs.0.14 crore on operating income of Rs.39.95 crore in the previous year.

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SMERA RATINGS LIMITED

## Shiv Shakti Silver (SSS)

**Rating  
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