

April 14, 2016

Facilities	Amount (Rs. Crore)	Rating
Packing Credit	10.00	SMERA B-/Stable (Assigned)
Bank Guarantee	5.00	SMERA B-/Stable (Assigned)

Long term rating has been assigned due to the request of the client

SMERA has assigned rating of '**SMERA B-**' (**read as SMERA B minus**) to the above mentioned bank facilities of Austin Parfett Engineering Private Limited (APEPL). The rating is constrained by the limited track of operations, moderate scale of business and foreign exchange fluctuation risk. However, the rating derives comfort from the experienced management and moderate networth.

Rating Sensitivity Factors

- Scaling up of operations
- Sustaining improvement in profitability

Outlook: Stable

SMERA believes the outlook on APEPL's rated facilities will remain stable over the medium term on account of the company's experienced and qualified management. The outlook may be revised to 'Positive' if the company registers a sustained growth in revenue while improving profit margins. Conversely, the outlook may be revised to 'Negative' if there is a steep decline in the company's operating profit margins or in case of a significant deterioration in the company's capital structure on account of larger than envisaged debt funded capex and working capital borrowings.

About the Company

The Coimbatore-based APEPL, incorporated in 2014 is engaged in the manufacture and export of de-watering pumps. The company is headed by the Directors - Syedmohammed Jafarulla, Shahul Hameed Marikar, Nisha Ashariparambil Mohammed among others. APEPL exports its products to the Middle East.

For FY2014-15, APEPL registered profit after tax (PAT) of Rs.0.07 crore on operating income of Rs.3.10 crore.

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