

Press Release

Zenium Cables Limited

November 22, 2019



Rating Withdrawn

Total Bank Facilities Rated*	Rs. 29.17 Cr.
Long Term Rating	ACUITE BB (Withdrawn)
Short Term Rating	ACUITE A4+ (Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuité has withdrawn the long-term rating of '**ACUITE BB**' (**read as ACUITE double B**) and short-term rating of '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs. 29.17 crore bank facilities of ZENIUM CABLES LIMITED (ZCL).

The Mumbai based, ZCL was incorporated in 1992 as a proprietary concern and converted to a private limited company in 2007. The company is engaged in the manufacture and distribution of low tension (LT) power and control cables such as cross-linked polyethylene (XLPE) cables, polyvinyl chloride (PVC) cables and co-axial cables. The manufacturing facility is located at Valsad (Gujarat). The company caters to Gujarat and Maharashtra State Electricity Boards and also private players such as Hi-tech Electrifications Private Limited, Bharat Electricals Contractors and Manufacturers Private Limited and Larson and Toubro Limited.

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>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.htm>

About the Rated Entity - Key Financials

	Unit	FY19 (Actual)	FY18 (Actual)	FY17 (Actual)
Operating Income	Rs. Cr.	55.07	56.69	62.14
EBITDA	Rs. Cr.	4.50	3.09	2.72
PAT	Rs. Cr.	0.55	0.43	0.41
EBITDA Margin	(%)	8.17	5.45	4.38
PAT Margin	(%)	1.00	0.76	0.66
ROCE	(%)	14.09	11.98	13.64
Total Debt/Tangible Net Worth	Times	2.86	4.13	3.94
PBDIT/Interest	Times	1.43	1.47	1.54
Total Debt/PBDIT	Times	4.95	6.11	6.12
Gross Current Assets (Days)	Days	205	198	178

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

Not Applicable

Any other information

Acuité 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)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
16-Nov-2018	Cash Credit	Long Term	13.00	ACUITE BB/Stable (Reaffirmed)
	Bills Discounting	Short Term	1.00	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	10.00	ACUITE A4+ (Reaffirmed)
	Term Loan	Long Term	1.57	ACUITE BB/Stable (Reaffirmed)
	Term Loan	Long Term	3.60	ACUITE BB/Stable (Assigned)
31-Oct-2017	Cash Credit	Long Term	10.00	ACUITE BB/Stable (Reaffirmed)
	Bills Discounting	Short Term	1.00	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	6.00	ACUITE A4+ (Reaffirmed)
	Term Loan	Long Term	2.17	ACUITE BB/Stable (Assigned)
31-May-2016	Cash Credit	Long Term	6.50	ACUITE BB/Stable (Assigned)
	Bills Discounting	Short Term	1.00	ACUITE A4+ (Assigned)
	Letter of Credit	Short Term	4.00	ACUITE A4+ (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	13.00	ACUITE BB (Withdrawn)
Bills Discounting	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4+ (Withdrawn)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4+ (Withdrawn)
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.57	ACUITE BB (Withdrawn)
Term Loan	Not Applicable	Not Applicable	Not Applicable	3.60	ACUITE BB (Withdrawn)

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About Acuité Ratings & Research:

Acuité 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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