

Radiant Udyog Private Limited: Assigned

Facilities	Amount (Rs. Crore)	Rating
Term Loan	5.91	SMERA C (Assigned)
Term Loan (Proposed)	0.21	SMERA C (Assigned)

SMERA has assigned rating of '**SMERA C**' (**read as SMERA C**) on the Rs.6.12 crore bank facilities of Radiant Udyog Private Limited (RUPL). The rating is constrained by the inadequate net cash accruals as against term debt obligations, small scale operations and low profitability. The rating also factors in the company's below average financial risk profile marked by low net worth, high gearing and moderate coverage indicators. Further, the rating also notes the working capital intensive operations. However, the aforementioned weaknesses are partially offset by an experienced management.

Rating Sensitivity Factors

- Augmenting net cash accrual to meet debt obligation
- Increase in scale of operations and improvement in profitability
- Improvement in gearing and coverage indicators
- Efficient working capital management

Criteria applied to arrive at the rating:

- Manufacturing Entities

About the Company

RUPL, established in 2007 by Mr Deepak Bharadwaj and family is engaged in the manufacturing of tyre pyrolysis oil and activated black carbon at Nagpur, Maharashtra.

The company reported profit after tax (PAT) of Rs.0.22 crore on operating income of Rs.3.96 crore in FY2015 as against net loss of Rs.2.19 crore on operating income of Rs.3.14 crore in FY2014.

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ABOUT SMERA

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