

Press Release

Shiva Metalloys International Limited

April 02, 2019



Rating Withdrawn

Total Bank Facilities Rated*	Rs. 26.00 Cr.
Long Term Rating	ACUITE B+ (Withdrawn)
Short Term Rating	ACUITE A4 (Withdrawn)

*Refer Annexure for details

Rating Rationale

Acuite has withdrawn the long term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 26.00 crore bank facilities of Shiva Metalloys International Limited (SMIL). The rating withdrawal is in accordance with the Acuite's 'policy on withdrawal of rating'.

The rating is being withdrawn on account of request received from the firm and NOC received from the banker.

The Delhi-based SMIL, incorporated in 1994 is engaged in the trading of non-ferrous metals such as nickel, zinc, and lead among others. The company is headed by Directors, Mr. Suresh Kumar Chawla, Mr. Ramesh Kumar Chawla, Mr. Gaurav Chawla and Mr. Gautam Chawla who possess experience of around three decades in the non-ferrous industry. SMIL imports goods from countries such as Canada, Malaysia, and Australia and sells them to retailers and suppliers across India.

Analytical approach

Acuite has considered the standalone business and financial risk profile of SMIL.

About the Rated Entity Financials

	Unit	FY18 (Actual)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	78.18	55.29	72.20
EBITDA	Rs. Cr.	2.71	2.13	1.72
PAT	Rs. Cr.	0.87	0.36	0.08
EBITDA Margin	(%)	3.47	3.85	2.38
PAT Margin	(%)	1.11	0.65	0.11
ROCE	(%)	7.58	5.83	4.74
Total Debt/Tangible Net Worth	Times	3.13	3.95	1.74
PBDIT/Interest	Times	1.83	1.32	1.10
Total Debt/PBDIT	Times	9.47	13.15	13.23
Gross Current Assets (Days)	Days	170	248	223

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

None

Any other information

None

Applicable Criteria

- Trading entities- <https://www.acuite.in/view-rating-criteria-6.htm>
- Application of Financial Ratios and Adjustments: <https://www.acuite.in/view-rating-criteria-20.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-17.htm>

Note on complexity levels of rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
07-Feb-2019	Cash Credit	Long Term	11.00	ACUITE B+ Issuer not co-operating*
	Letter of Credit	Short Term	15.00	ACUITE A4 Issuer not co-operating*
11-Dec-2017	Cash Credit	Long Term	11.00	ACUITE B+ Issuer not co-operating*
	Letter of Credit	Short Term	15.00	ACUITE A4 Issuer not co-operating*
21-Sep-2016	Cash Credit	Long Term	11.00	ACUITE B+/ Stable (Assigned)
	Letter of Credit	Short Term	15.00	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
Cash Credit	Not Applicable	Not Applicable	Not Applicable	11.00	ACUITE B+ (Withdrawn)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A4 (Withdrawn)

Contacts

Analytical	Rating Desk
Aditya Gupta Head - Corporate and Infrastructure Sector Ratings Tel: 022-49294041 aditya.gupta@acuite.in Karan Patil Analyst - Rating Operations Tel: 022-49294074 karan.patil@acuiterratings.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in

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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