

Siri Smelters & Energy Private Limited: Assigned

Facilities	Amount (Rs Crore)	Rating
Term Loan	4.38	SMERA D (Assigned)
Open Cash Credit	9.00	SMERA D (Assigned)
Open Cash Credit (Proposed)	3.62	SMERA D (Assigned)

SMERA has assigned long term rating of '**SMERA D' (read as SMERA D)** on the Rs.17.00 crore bank facilities of Siri Smelters & Energy Private Limited (SSEPL). The rating reflects delay in servicing of debt obligations and continuous overdrawings exceeding 30 days in the cash credit account due to a stretched liquidity position. The rating also factors in the weak financial risk profile marked by high gearing and low coverage indicators. However, the rating is supported by an experienced management.

Rating Sensitivity Factors

- Curing of debt
- Scaling up operations and profitability

Criteria applied to arrive at the rating:

- Manufacturing Entities
- Default Recognition

About the Company

SSEPL, incorporated in 2011, is an Andhra Pradesh-based company promoted by Mr. Mohan Sajja and Mrs. Jyothsna Sajja. The company commenced commercial operations in August 2014 to manufacture ferro alloys, mainly silico manganese.

For FY2015-16 (Provisional), SSEPL reported net loss of Rs.1.26 crore on operating income of Rs.24.79 crore as compared with net loss of Rs.1.68 crore on operating income of Rs.15.69 crore in FY2014-15.

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ABOUT SMERA

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