

### 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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