

Press Release

Apurvi Industries (AI)

19 February, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 12.70 Cr. #
Long Term Rating	SMERA BB- Issuer not co-operating*
Short Term Rating	SMERA A4 Issuer not co-operating*

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

SMERA has reviewed the long-term rating of '**SMERA BB-**' (**read as SMERA double B minus**) and short-term rating of '**SMERA A4**' (**read as SMERA A four**) on the Rs. 12.70 crore bank facilities of Apurvi Industries. This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower

SMERA has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Default Recognition - <https://www.smerra.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.smerra.in/criteria-fin-ratios.htm>
- Manufacturing Entities - <https://www.smerra.in/criteria-manufacturing.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity

Apurvi Industries, incorporated in 2000 is a proprietorship firm engaged in the manufacture and export of stainless steel pipes and tubes. The proprietor, Mr. Viren D Gathani has more than two decades of experience in the aforementioned line of business. The firm has a production capacity of 1200 pipes per day.

About the Rated Entity – Key Financial

	Unit	FY16 (Actual)	FY15 (Actual)	FY14 (Actual)
Operating Income	Rs. Cr.	25.02	18.55	15.06
EBITDA	Rs. Cr.	3.13	1.89	2.50
PAT	Rs. Cr.	0.52	0.39	0.31

EBITDA Margin	(%)	12.52	10.20	16.61
PAT Margin	(%)	2.08	2.12	2.05
ROCE (%)	(%)	10.73	6.17	13.49
Total Debt/Tangible Net Worth	Times	1.68	1.44	1.53
PBDIT/Interest	Times	2.27	2.62	2.73
Total Debt/PBDIT	Times	3.55	5.61	4.38
Gross Current Assets (Days)	Days	241	275	273

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
30 th Nov 2016	Cash Credit	Long Term	6.00	SMERA BB-/Stable (Assigned)
	Term Loan	Long Term	3.77	SMERA BB-/Stable (Assigned)
	Proposed Cash Credit	Long Term	2.00	SMERA BB-/Stable (Assigned)
	Proposed Term Loan	Long Term	0.50	SMERA BB-/Stable (Assigned)
	Proposed fund & non fund based facility	Long Term	0.43	SMERA BB-/Stable/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	6.00	SMERA BB- Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	3.77	SMERA BB- Issuer not co-operating*
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	SMERA BB- Issuer not co-operating*
Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	0.50	SMERA BB- Issuer not co-operating*
Proposed fund & non fund based facility	Not Applicable	Not Applicable	Not Applicable	0.43	SMERA BB-/A4 Issuer not co-operating*

*The issuer did not co-operate; Based on best available information.

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ABOUT SMERA

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