

Press Release

S K M Industries

June 29, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 13.00 Cr.
Long Term Rating	ACUITE BB- Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

* Refer Annexure for details

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

Rating Rationale

Acuite has reviewed long-term rating of '**ACUITE BB-**' (read as **ACUITE double B minus**) and short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.13.00 crore bank facilities of S K M Industries. This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower

Acuite 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 the line with prevailing SEBI regulations and Acuite's Policies

Applicable Criteria

- Default Recognition: <https://www.acuite.in/criteria-default.htm>
- Manufacturing Entities- <https://www.acuite.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). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity

S K M Industries (SKM) was established in 2006 as a partnership firm by Mr.Mihir Kikani and Mr. Sukesh Kikani. The firm is engaged in manufacturing of industrial storage systems and steel cable drums. SKM has its manufacturing facility at Valsad, Gujarat.

Any other Information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History for the last three years

Date	Name of Instrument/Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook

March 24, 2017	Cash Credit	Long Term	1.25	ACUITE BB-/Stable (Assigned)
	PC/PCFC	Short Term	2.25	ACUITE A4 (Assigned)
	Post Shipment Credit	Short Term	3.00	ACUITE A4 (Assigned)
	Letter of Credit	Short Term	6.00	ACUITE A4 (Assigned)
	Bank guarantee/Letter of guarantee	Short Term	0.50	ACUITE A4 (Assigned)

Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.25	ACUITE BB- Issuer not co-operating*
PC/PCFC	Not Applicable	Not Applicable	Not Applicable	2.25	ACUITE A4 Issuer not co-operating*
Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE A4 Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE A4 Issuer not co-operating*
Bank guarantee/Letter of guarantee	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE A4 Issuer not co-operating*

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

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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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