

Press Release

Secur Credentials Private Limited

May 25, 2017

Rating Assigned

Total Bank Facilities Rated*	Rs. 5.00 Cr.
Long Term Rating	SMERA B / Outlook: Stable

* Refer Annexure for details

Rating Rationale

SMERA has assigned long-term rating of '**SMERA B**' (read as **SMERA B**) on the Rs. 5.00 crore bank facilities of Secur Credentials Private Limited. The outlook is '**Stable**'.

Secur Credentials Private Limited (SCPL) incorporated in 2001 is engaged in the business of background screening of individuals for corporates. The company commenced operations from November 2015 and is led by Mr. Rahul Belwalkar and Ms. Shibani Belwalkar. The operations are spread across nine states.

Key Rating Drivers

Strengths

- **Experienced management**

The Mumbai-based SCPL, incorporated in 2001 was promoted by Mr. Rahul Belwalkar and Mr. Shibani Belwalkar. The promoters possess over two decades of experience in the industry.

- **Moderate order position**

The company has orders worth ~Rs.3.00 crore which provide revenue visibility over the medium term.

- **Diversified and reputed customer base**

SCPL has a diversified customer profile having catered to a range of industries including retail, manufacturing, telecom among others. The clients include the Future Group, Shoppers Stop to name a few.

Weaknesses

- **Nascent stage of operations**

The company incorporated in 2001 commenced commercial operations from November 2015.

- **Modest scale of operations**

SCPL has modest scale of operations marked by operating income of Rs.4.41 crore in FY2016. The company achieved revenue of ~ Rs. 9.05 crore from April 2016 to March 2017.

- **Competitive and fragmented industry**

SCPL operates in a highly fragmented and competitive industry with large number of organised and unorganised players.

Analytical Approach

SMERA has considered the standalone financial and business risk profiles of Secur Credentials Private Limited to arrive at the rating.

Outlook: Stable

SMERA believes that SCPL will maintain a stable outlook over the medium term owing to its experienced management. The outlook may be revised to 'Positive' in case the company registers healthy growth in revenues while achieving sustained improvement in operating margins, capital structure and working capital management. Conversely, the outlook may be revised to 'Negative' in case of decline in revenues, profit margins or deterioration in the financial risk profile and liquidity position.

About the Rated Entity - Key Financials

For FY2015-16, the company registered profit after tax (PAT) of Rs.0.10 crore on operating income of Rs.4.41 crore. The net worth stood at Rs.0.32 crore as on 31 March, 2016.

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

None

Any other information

None

Applicable Criteria

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Entities In Services Sector - <https://www.smera.in/criteria-services.htm>
- Financial Ratios And Adjustments - <https://www.smera.in/criteria-fin-ratios.htm>

Note on complexity levels of the rated instrument

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

Rating History (Upto last three years)

Not Applicable

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	SMERA B / Stable
Term loans	Not Applicable	Not Applicable	Not Applicable	1.00	SMERA B / Stable

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