

Press Release

Stainox Alloys Private Limited

November 30, 2018



Rating Withdrawn

Total Instruments Rated*	Rs. 15.00 Cr.
Long Term Rating	ACUITE BB (Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuité has withdrawn the long term rating of '**ACUITE BB** (read as ACUITE double B) to the above mentioned bank facilities of Rs. 15.00 crore of Stainox Alloys Private Limited (SAPL). The rating withdrawal is in accordance with the Acuité's 'policy on withdrawal of rating.

The rating is being withdrawn on the request of SAPL as the management of the company has informed Acuité that they have closed and repaid the previously rated facility.

Stainox Alloys Private Limited (SAPL), a Mumbai-based company was incorporated in 2012 by Directors, Mr. Prakash Jain, Mr. Ketan Jain and Mr. Vinay Jain. The company is mainly engaged in the trading of stainless steel products such as SS coils, SS sheets, SS pipes as also nickel, copper and manganese ore. The major revenue contributor is stainless steel products (~90 percent). The company is also an authorised Star distributor of Jindal Stainless Limited and Jindal Stainless (Hisar) Limited which contributes around ~50 percent of revenue. The company has its administrative office in Mumbai, Maharashtra and branch office in Ahmedabad (Gujarat).

Analytical Approach

Acuité has considered the standalone financial and business risk profiles of SAPL.

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

None

Any other information

Not Applicable

Applicable Criteria

- Trading entities- <https://www.acuite.in/view-rating-criteria-6.htm>
- Financial Ratios and Adjustments- <https://www.acuite.in/view-rating-criteria-20.htm>
- Default Recognition- <https://www.acuite.in/view-rating-criteria-17.htm>

Note on complexity levels of the rated instrument

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

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
28-Dec-2017	Cash Credit under e -DFS	Long Term	15.00	ACUITE BB/Stable (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Cash Credit under e - DFS	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE BB (Withdrawn)
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About the Rated Entity Financials

	Unit	FY18 (Actual)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	392.01	200.82	201.79
EBITDA	Rs. Cr.	9.90	6.47	5.71
PAT	Rs. Cr.	2.12	0.73	0.68
EBITDA Margin	(%)	2.53	3.22	2.83
PAT Margin	(%)	0.54	0.36	0.34
ROCE	(%)	13.49	10.81	9.88
Total Debt/Tangible Net Worth	Times	1.66	0.95	0.96
PBDIT/Interest	Times	1.41	1.19	1.18
Total Debt/PBDIT	Times	5.47	4.54	4.82
Gross Current Assets (Days)	Days	84	129	158

Contacts

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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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