

## Press Release

### PG Industries

February 26, 2019

### Rating Withdrawn

<b>Total Instruments Rated*</b>	Rs. 8.00 Cr.
<b>Long Term Rating</b>	ACUITE BB (Withdrawn)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Acuité has withdrawn the long term rating of '**ACUITE BB** (read as **ACUITE double B**) to the Rs. 8.00 crore bank facilities of PG Industries (PGI). The rating withdrawal is in accordance with the Acuité's 'policy on withdrawal of rating'.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

PGI is a Tamil Nadu based firm established by partners, Mr. Pravin V Gandhi, Ms. Nirupama U Gandhi and Mr. Pranay Gandhi in 2007. The firm manufactures stainless steel straps and bands at Hosur (Tamil Nadu) and has capacity of 24 lakh (stainless steel watch straps and bands) and 18 lakh (ion coated watch straps and bands) respectively per annum.

### Analytical Approach

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

### About the Rated Entity Financials

	Unit	FY17 (Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	21.41	18.35	21.27
EBITDA	Rs. Cr.	2.47	2.04	2.29
PAT	Rs. Cr.	0.48	0.51	0.26
EBITDA Margin	(%)	11.55	11.11	10.75
PAT Margin	(%)	2.26	2.77	1.24
ROCE	(%)	12.34	12.54	26.33
Total Debt/Tangible Net Worth	Times	2.91	1.40	1.69
PBDIT/Interest	Times	2.36	2.22	1.80
Total Debt/PBDIT	Times	4.06	3.13	3.18
Gross Current Assets (Days)	Days	150	170	139

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

None

### Any other information

None

### Applicable Criteria

- Manufacturing entities: <https://www.acuite.in/view-rating-criteria-4.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-Mar-2018	Cash Credit	Long Term	6.00	ACUITE BB /Stable (Assigned)
	Term Loan	Long Term	2.00	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Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE BB (Withdrawn)
Term Loan	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BB (Withdrawn)

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### About Acuité Ratings & Research:

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