

Press Release

S R M Alloys Private Limited (SRMAPL)

November 07, 2019

Rating Withdrawn



Total Bank Facilities Rated*	Rs.7.50 Cr.#
Long Term Rating	ACUITE B- Withdrawn

#Refer Annexure for details

Rating Rationale

Acuite has withdrawn the long-term rating of '**ACUITE B-**' (read as **ACUITE B minus**) on the Rs.7.50 crore bank facilities of S R M Alloys Private Limited. This rating is now withdrawn and indicative and is based on best available information.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

The Jodhpur based, S R M Alloys Private Limited was incorporated in 1994 by Mr. Ghanshyam Ojha and Mr. Kailash Ojha. The company is engaged in manufacturing of stainless steel sheet which is used in preparing utensils and cookware.

Analytical Approach

Acuite has considered the standalone business and financial risk profile of SRMAPL to arrive at the rating.

About the Rated Entity- Key Financials

	Unit	FY19 (Actual)	FY18 (Actual)	FY17 (Actual)
Operating Income	Rs. Cr.	55.82	45.24	43.08
EBITDA	Rs. Cr.	1.36	1.20	1.29
PAT	Rs. Cr.	0.36	0.20	0.19
EBITDA Margin	(%)	2.43	2.64	2.99
PAT Margin	(%)	0.64	0.45	0.45
ROCE	(%)	11.16	10.58	10.87
Total Debt/Tangible Net Worth	Times	2.71	2.87	2.82
PBDIT/Interest	Times	1.72	1.49	1.40
Total Debt/PBDIT	Times	6.37	6.81	5.76
Gross Current Assets (Days)	Days	113	135	126

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

None

Any other information

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
28-August-2018	Cash Credit	Long term	4.00	ACUITE B-/Stable (Assigned)
	Term Loans	Long term	1.11	ACUITE B-/Stable (Assigned)
	Working Capital Term Loan	Long term	0.76	ACUITE B-/Stable (Assigned)
	Proposed Bank Facility	Long term	1.63	ACUITE B-/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Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE B- (Withdrawn)
Term Loans	Not Applicable	Not Applicable	Not Applicable	1.11	ACUITE B- (Withdrawn)
Working Capital Term Loan	Not Applicable	Not Applicable	Not Applicable	0.76	ACUITE B- (Withdrawn)
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	1.63	ACUITE B- (Withdrawn)

Contacts

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About Acuité Ratings & Research:

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