

Press Release

SM Mukki Marine Engine Gear boxes Private Limited

July 19, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	38.00	ACUITE BB- Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	38.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded its long-term rating of '**ACUITE BB-' (read as ACUITE double B minus)** from **ACUITE BB (read as ACUITE double B)** on the Rs.38.00 crore bank facilities of SM Mukki Marine Engine Gear Boxes Private Limited (SMPL).

This rating is now an indicative rating and is based on the best information available.

About the Company

SMPL is based out of Nagercoil, Tamil Nadu and was incorporated in the year 2016. The company is engaged in assembling and manufacturing of marine gear boxes, marine engine and ancillary parts. SMPL is promoted by Mr. Sudalaiyandi Murugan and family. The company has its manufacturing facility located in Nagercoil with an installed capacity of 7,200 units per annum as on March 31, 2021.

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 the due date. This rating is therefore being flagged as "Issuer not cooperating", in line with prevailing SEBI regulations and Acuite's policies.

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 endeavoured 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 ratings based.

Rating Sensitivities

No information provided by the issuer / available for Acuite to comment upon

Material Covenants

None

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon

Outlook

Not Applicable

Key Financials

Particulars	Unit	FY 20 (Actual)	FY 19 (Actual)
Operating Income	Rs. Cr.	158.93	131.62
PAT	Rs. Cr.	0.65	1.03
PAT Margin	(%)	0.41	0.78
Total Debt/Tangible Net Worth	Times	2.80	3.25
PBDIT/Interest	Times	1.57	1.56

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Trading Entity: <https://www.acuite.in/view-rating-criteria-61.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
26 Apr 2021	Cash Credit	Long Term	20.00	ACUITE BB Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	4.08	ACUITE BB Stable (Reaffirmed)
	Short Term Loan	Long Term	8.07	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	5.85	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	6.50	ACUITE BB (Issuer not co-operating*)

04 Dec 2020	Short Term Loan	Long Term	10.00	ACUITE BB (Issuer not co-operating*)
	Cash Credit	Long Term	20.00	ACUITE BB (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	1.50	ACUITE BB (Issuer not co-operating*)
24 Sep 2019	Short Term Loan	Long Term	10.00	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	6.50	ACUITE BB Stable (Assigned)
	Proposed Bank Facility	Long Term	1.50	ACUITE BB Stable (Assigned)
	Cash Credit	Long Term	20.00	ACUITE BB Stable (Upgraded from ACUITE BB- Stable)
30 Apr 2019	Cash Credit	Long Term	10.00	ACUITE BB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Karur Vysya Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE BB- Downgraded Issuer not co-operating*
Karur Vysya Bank	Not Applicable	Short-term Loan	03-10-2019	11.0	31-08-2023	8.07	ACUITE BB- Downgraded Issuer not co-operating*
Karur Vysya Bank	Not Applicable	Term Loan	22-08-2015	11	31-07-2023	5.85	ACUITE BB- Downgraded Issuer not co-operating*
Karur Vysya Bank	Not Applicable	Working Capital Term Loan	16-09-2020	8	31-08-2024	4.08	ACUITE BB- Downgraded Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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