

Press Release
Chimera Industrial and Development Limited
(Erstwhile Midco Limited)

December 11, 2019



Watch Resolved, Rating Withdrawn

Total Bank Facilities Rated*	Rs.200.00 Cr.
Long Term Rating	ACUITE BBB+ (Withdrawn; Removed from Rating Watch With Developing Implications)
Short Term Rating	ACUITE A2 (Withdrawn; Removed from Rating Watch With Developing Implications)

* Refer Annexure for details

Rating Rationale

Acuité has removed its ratings on the Rs.200.00 Cr. bank facilities of Chimera Industrial and Development Limited (CIDL) (Erstwhile Midco Limited) from 'Rating Watch with developing Implications' and has withdrawn the long term rating of '**ACUITE BBB+**' (**read as ACUITE triple B plus**) and short term rating of '**ACUITE A2**' (**read as ACUITE A two**).

Acuité has placed the CIDL's rating on watch following company's decision to sell its business to Gilbarco Veeder-Root India Private Limited. Acuité was in discussion with the management to understand the implication of the transaction on CIDL's business and financial risk profile and consequent changes expected in the business model. The watch is resolved following the completion of the said business transfer and company clearing all of its dues with the bankers.

The rating is being withdrawn on account of request received from the company and No Dues Certificate received from the bankers.

CIDL was incorporated in the year 1949 as the first domestic supplier of Petroleum Dispensing Units (PDUs) to the Indian petroleum industry. Midco was setup to manufacture various fuel dispensing units including LPG dispensing units

About the Rated Entity - Key Financials

	Unit	FY19 (Actual)	FY18 (Actual)
Operating Income	Rs. Cr.	162.37	211.34
PAT	Rs. Cr.	49.42	0.04
PAT Margin	(%)	30.44	0.02
Total Debt/Tangible Net Worth	Times	1.85	(5.29)
PBDIT/Interest	Times	3.77	1.41

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

None

Any other information

None

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-53.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-59.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
03-Jan-19	Cash Credit	Long Term	24.00	ACUITE BBB+ (Under rating watch with developing implications)
	Letter of Credit	Short Term	15.00	ACUITE A2 (Under rating watch with developing implications)
	Bank Guarantee	Short Term	161.00	ACUITE A2 (Under rating watch with developing implications)
05-Nov-18	Cash Credit	Long Term	24.00	ACUITE BBB+ (Under rating watch with developing implications)
	Letter of Credit	Short Term	15.00	ACUITE A2 (Under rating watch with developing implications)
	Bank Guarantee	Short Term	161.00	ACUITE A2 (Under rating watch with developing implications)
05-Sep-18	Cash Credit	Long Term	24.00	ACUITE BBB+ (Under rating watch with developing implications)
	Letter of Credit	Short Term	15.00	ACUITE A2 (Under rating watch with developing implications)
	Bank Guarantee	Short Term	161.00	ACUITE A2 (Under rating watch with developing implications)
18-Jul-17	Cash Credit	Long Term	24.00	ACUITE BBB+/Stable (Reaffirmed)
	Letter of Credit	Short Term	15.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee	Short Term	161.00	ACUITE A2 (Reaffirmed)

***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	24.00	ACUITE BBB+ (Withdrawn)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A2 (Withdrawn)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	161.00	ACUITE A2 (Withdrawn)

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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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