

Press Release

ARIES ORGANICS PRIVATE LIMITED

February 02, 2018



Rating Withdrawn

Total Bank Facilities Rated*	Rs. 7.10 Cr.
Long Term Rating	SMERA BBB / Outlook: Stable (Withdrawn)
Short Term Rating	SMERA A3+ (Withdrawn)

* Refer Annexure for details

Rating Rationale

SMERA has withdrawn long-term rating of '**SMERA BBB**' (read as **SMERA triple B**) and short-term rating of '**SMERA A3+**' (read as **SMERA A three plus**) on the Rs.9.90 crore facility of Aries Organics Private Limited (AOPL).

The above is at the request of AOPL and 'NOC' received from Banker.

The Aries group, was established in 1980 with the setting up of Aries Dye Chem Industries (ADCI), a proprietorship concern. Subsequently, Aries Organics Private Limited (AOPL) came into being in 1995 followed by Aries Colorchem Private Limited (ACPL) in 2009. The group manufactures a diversified range of dye intermediates and synthetic organic dyes catering to textile and leather industries. The installed capacity of the group is ~16,700 metric tonnes per annum (MTPA) for synthetic organic dyes and 2,700 MTPA for dye intermediates. The group is headed by Mr. Kantilal Patel and Mr. Aries Patel.

About the Rated Entity - Key Financials

	Unit	FY17 (Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	190.57	151.93	230.17
EBITDA	Rs. Cr.	34.96	25.63	37.00
PAT	Rs. Cr.	23.14	19.11	28.49
EBITDA Margin	(%)	18.34	16.87	16.08
PAT Margin	(%)	12.15	12.58	12.38
ROCE	(%)	26.95	19.65	29.40
Total Debt/Tangible Net Worth	Times	0.43	0.88	0.45
PBDIT/Interest	Times	9.98	17.68	13.95
Total Debt/PBDIT	Times	1.01	2.15	0.93
Gross Current Assets (Days)	Days	152	198	123

Analytical Approach

SMERA has consolidated the risk profiles of group companies ACPL, Aries Organics Private Limited (AOPL) and Aries Dye Chem Industries (ADCI) due to significant business and financial synergies.

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

None

Any other information

None

Applicable Criteria

SMERA Ratings Limited

Registered Office: 102, Sumer Plaza, Marol Maroshi Road, Marol, Andheri (East), Mumbai - 400 059

CIN: U74999MH2005PLC155683 | SEBI Permanent Registration No.: IN / CRA / 006 / 2011

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.smera.in/criteria-fin-ratios.htm>
- Manufacturing Entities - <https://www.smera.in/criteria-manufacturing.htm>

Note on complexity levels of the rated instrument
<https://www.smera.in/criteria-complexity-levels.htm>
Rating History (Upto last three years)

Date	Facilities	Amount (Rs. Crore)	Ratings		Rating Outlook
			Long Term	Short Term	
19 October, 2016	Export Packing Credit	5.00*	SMERA BBB (Reaffirmed)	-	Stable
	Letter of Credit	2.00^	-	SMERA A3+ (Reaffirmed)	-
	Credit Exposure Limit	0.10	-	SMERA A3+ (Reaffirmed)	-
31 July, 2015	Export Packing Credit	5.00*	SMERA BBB (Reaffirmed)	-	Positive
	Letter of Credit	2.00^	-	SMERA A3+ (Reaffirmed)	-
	Credit Exposure Limit	0.10	-	SMERA A3+ (Reaffirmed)	-
22 July, 2014	Export Packing Credit	5.00*	SMERA BBB (Reaffirmed)	-	Stable
	Letter of Credit	2.00^	-	SMERA A3+ (Reaffirmed)	-
	Credit Exposure Limit	0.10	-	SMERA A3+ (Reaffirmed)	-

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Export Packing Credit	Not Applicable	Not Applicable	Not Applicable	5.00*	SMERA BBB / Stable (Withdrawn)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.00^	SMERA A3+ (Withdrawn)
Credit Exposure Limit	Not Applicable	Not Applicable	Not Applicable	0.10	SMERA A3+ (Withdrawn)

Contacts

Analytical	Rating Desk
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ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, D&B and leading public and private sector banks in India. SMERA is registered with SEBI, accredited by RBI as an External Credit Assessment Institution (ECAI), under BASEL-II norms for undertaking Bank Loan Ratings. SMERA Bond Ratings is a division of SMERA Ratings Limited responsible for ratings of bank facilities, and capital market/money market debt instruments such as Bonds, Debentures, Commercial Papers, Fixed Deposits, Certificate of Deposits etc.. For more details, please visit www.smera.in.

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