CARE RATINGS PRESS RELEASE

July 16, 2019

Name Of The Company	Instruments	Rating	Amount (Rs.Cr.)
Kropex India Private Limited	Bank Facilities	CARE BB-; Stable	15
West Bengal State Electricity Distribution Company Limited	Secured Redeemable Bond Series II Series I	 CARE BBB-; Negative CARE BBB-; Negative [Revised from CARE BBB+; Negative]	 500 500
West Bengal State Electricity Transmission Company Limited	Bank Facilities Secured Redeemable Bond Series I Series II Issuer Rating	CARE BBB+; Stable/CARE A2 [Revised from CARE A; Stable/CARE A1] CARE BBB+; Stable CARE BBB+; Stable [Revised from CARE A; Stable] CARE BBB+ (Is); Stable [Revised from CARE A (Is); Stable]	395.11 18.30 250 ---
Amit Constructions	Bank Facilities	CARE D ISSUER NOT COOPERATING;* [Revised from CARE B; Stable;]	5
Shiv Onkar Plasto Private Limited	Bank Facilities	CARE B-; Stable; ISSUER NOT COOPERATING* [Revised from CARE B; Stable;]	2.73
S. P. Malik and Company Private Limited	Bank Facilities	CARE BB;/ CARE A4; ISSUER NOT COOPERATING*	9.50
Garg & Company_(Ludhiana)	Bank Facilities	CARE B+; Stable [Reaffirmed]	14
Ahill Apparel Exports Private Limited	Bank Facilities	CARE BB+; Stable; ISSUER NOT COOPERATING*	27.92
Golden Mandhir Retail Private Limited	Bank Facilities	CARE B; Stable; ISSUER NOT COOPERATING* [Revised from CARE B+; Stable]	36.08
SSV Spinners Private Limited	Bank Facilities	Withdrawn	---
Toolfab Engineering Industries Private Limited	Bank Facilities	CARE BB-; Stable; ISSUER NOT COOPERATING*	19.92
Imperial Distillers & Vintners Private Limited	Bank Facilities	CARE BB; Stable	8.45
Raja Poultry Farm	Bank Facilities	CARE B+; Stable; ISSUER NOT COOPERATING* [Revised from CARE BB-; Stable]	12
Madhur Timber	Bank Facilities	CARE B; Stable; / CARE A4; ISSUER NOT COOPERATING* [Revised from CARE B+; Stable/ CARE A4]	5.10
DMI Finance Private Limited	NCD	CARE AA-; Stable	100
Bravo Agencies Private Limited	Bank Facilities	CARE D; ISSUER NOT COOPERATING*	15

**Provisional rating*

*CARE has classified instruments rated by it on the basis of complexity. This classification is available at[www.careratings.com.](http://www.careratings.com) Investors/*market *intermediaries /regulators or others are welcome to write to* care@careratings.com *for any clarifications*

Explanatory notes regarding rating symbols of CARE

Symbol	Explanation	Symbol	Symbol	Explanation		Symbol	
CARE A1	Superior	CARE AAA	CARE AAA (FD)	Best Quality	High Investment Grade	CCt 1	Very high project execution capability
CARE A2	Strong	CARE AA	CARE AA (FD)	High Quality	-do-	CCt 2	High project execution capability
CARE A3	Adequate	CARE A	CARE A (FD)	Adequate Safety	Investment Grade	CCt 3	Moderate project execution capability
CARE A4	Risk prone	CARE BBB	CARE BBB (FD)	Moderate Safety	-do-	CCt 4	Inadequate project execution capability
CARE D	Default	CARE BB	CARE BB (FD)	Inadequate safety	Speculative Grade	CCt 5	Poor project execution capability
		CARE B	CARE B (FD)	Risk Prone	-do-		
		CARE C	CARE C (FD)	High Risk	Poor Grade		
		CARE D	CARE D(FD)	Default	-do-		

Disclaimer

CAREs ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

Kropex India Private Limited
July 16, 2019

Ratings

Facilities	**Amount (Rs. crore)**	**Rating**[1]	**Remarks**
Long-term Bank Facilities	15.00	**CARE BB-; Stable (Double B Minus; Outlook: Stable)**	**Assigned**
Total	**15.00 (Rupees Fifteen Crore Only)**		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The rating assigned to the bank facilities of Kropex India Private Limited (KIPL) is tempered by small scale of operations in fragmented and competitive market with large number of players; profit margins are susceptible to volatility in raw material prices. The rating further get constrained on account of financial risk profile marked by thin profitability margins, leveraged capital structure, weak debt coverage indicators, working capital intensive nature of operations and foreign exchange fluctuation risk.

However, the rating derives comfort from established track record and experienced promoters and stable outlook for print industry.

Going forward, the company to improve its scale of operations and profitability margins, improve its capital structure and debt coverage indicators and utilize the working capital limits efficiently are the key rating sensitivities.

Detailed description of the key rating drivers

Key Rating Weaknesses

Small scale of operations with thin profitability margins

Despite of being in business for 17 years, the scale of operations marked by the total operating income was seen declining and stood small at Rs. 43.91 crore in FY18 as compared to Rs. 57.24 crore in FY17 and Rs. 69.48 crore in FY16. This is due to the surrender of dealership of General Motors (Chevrolet Cars) during FY18 on back of withdrawn its Chevrolet Brand in India. The net worth of KIPL stood modest at Rs. 11.57 crore as on March 31, 2018. Further, KIPL has registered a total operating income of Rs. 41.89 crore in FY19 (Prov.).

The PBILDT margin has improved by 51 bps and stood at 5.34% in FY18 as compared to 4.83% in FY17 on the back of decline in the employee cost and selling and administrative overheads during the year due to shutdown of auto division of the company. Further, there was a turnaround from net loss in FY17 to net profit in FY18 due to decline in the interest cost on the back of lower utilization of working capital borrowings during the year.

Leveraged capital structure and weak debt coverage indicators

The capital structure marked by the overall gearing ratio has improved yet stood leveraged at 2.38x as on March 31, 2018 compared to 2.47x as on March 31, 2017 due to increase in term loan and interest free unsecured loans from directors for clearing the loans taken for the auto division.

The debt coverage indicators marked by interest coverage stood weak at 1.43x in FY18 and total debt to GCA stood weak at 22.91x in FY18 due to low gross cash accruals. Further, total debt to CFO stood at 8.57x as on March 31, 2018 due to increase in inventory due to trading nature of business.

Working capital intensive nature of operations

The company operates in a working capital intensive nature of business segment. The average working capital cycle of the company remained elongated and stood at 154 days in FY18.. As per the company's policy, credit period upto 45 days is extended to its customers and a credit period of 0-15 days is availed from the suppliers. The average working capital utilization of the company remained at 95% during the last 12 months ending on May 31, 2019.

Profit margins are susceptible to volatility in raw material prices with foreign exchange fluctuation risk

The company's major raw materials are chemicals, inks and rubber where the prices are highly volatile. Hence any adverse fluctuation in the prices and availability of the paper can affect the profitability margins of the firm, which already remain low due to the high cost of raw materials. Further, KIPL imports raw material from Italy and China which resulted in sovereign and foreign exchange risk.

[1]*Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications*

Fragmented and competitive market with large number of players

KIPL is engaged in trading of trading of graphic art material i.e., print consumables, which is highly fragmented and competitive with large number of unorganized and organized players in the industry. However, the risk is mitigated to some extend due to established relationship with customers and suppliers.

Key Rating Strengths

Established track record and experienced promoters

KIPL has an established track record of 17 years in trading of graphic art material. Mr. Sanjeev Sachdeva, Chairman and Managing Director, has more than 28 years of experience in marketing various products used in the graphic art industry. Mr. Vanik Sachdeva, has 9 years of experience in the auto mobile industry. He is also a director in Kropex Auto Private Limited, which is an authorized dealer of Tata Motors. Mr. Rohan Sachdeva, engaged in marketing and development of all the products in the Kropex portfolio. Mrs. Simran Sachdeva, has vast experience and has worked with MNCs for 7 years. The vast knowledge and expertise that management has gained over the years, help in managing the overall business operations of the company.

Stable outlook for print industry

The Indian Printing Industry, growing at a rate of 12% per annum, comprises of more than 250,000 big, small and medium printers. The current annual turnover of the industry is more than INR 50,000 crores (USD 11 Billion). So, it remains one of the biggest and fastest growing sectors within the country with its allied industries like Printing Machinery Manufactures, Packaging industries, Paper manufacturing, Ink manufacturing, manufactures of raw material and consumables. The booming Indian economy, increasing consumerism, entry of global brands in the country and opening of the sector to foreign investors are bound to offer growth opportunities to the industry.

Liquidity Analysis

The current ratio of the company stood at 1.50x as on March 31, 2018 due to increase in inventory and other current assets as compared to current liabilities. The cash and bank balance as on March 31, 2018 stood at Rs. 0.26 crore. Further, KIPL has unutilized working capital facility of 85% to 90% as on June 17, 2019.

Analytical approach: Standalone

Applicable criteria:

Criteria on assigning Outlook to Credit ratings
CARE's Policy on Default Recognition
Financial ratios – Non-Financial Sector
Rating Methodology - Wholesale Trading

About the Company

Bangalore based Kropex India Private Limited (KIPL), formerly known as Kropex India Limited (KIL) was incorporated in the year 2002. Subsequently, in 2014, it was reconstituted to a Private Limited Company with the same name and style of business. KIPL is promoted by Mr. Sanjeev Sachdeva (Managing Director). KIPL is engaged in trading of graphic art material for offset printings i.e., print consumables like Offset PS Plates, Digital Printing Plates, various printing chemicals, Printing Inks etc. In FY18, KIPL surrendered the dealership of General Motors (Chevrolet Cars) due to GM had withdrawn its Chevrolet Brand in India. In FY19, KIPL has takeover the manufacturing unit (at Tumkur) of Kropex Candida Print Private Limited (KCPPL) which engaged in printing and service activities related to printing. The manufacturing unit at Tumkur, Karnataka has an installed capacity to manufacture 3.5 lakh envelopes per shift (10 Hours).
The company imports raw material like UV Ink and Vanishes from Toyo Arets Graphic (Belgium), printing blankets from Trelleborg Printing Solutions (China and Italy plants). Further, the company exports its envelopes to Australia and New Zealand.

Brief Financials (Rs crore)	FY17 (A)	FY18 (A)
Total operating income	57.24	43.91
PBILDT	2.77	2.34
PAT	-1.00	0.40
Overall gearing (times)	2.47	2.38
Interest coverage (times)	1.03	1.43

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	10.00	CARE BB-; Stable
Fund-based - LT-Term Loan	-	-	July 2023	3.50	CARE BB-; Stable
Fund-based - LT-Proposed fund based limits	-	-	-	1.50	CARE BB-; Stable

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Cash Credit	LT	10.00	CARE BB-; Stable	-	-	-	-
2.	Fund-based - LT-Term Loan	LT	3.50	CARE BB-; Stable	-	-	-	-
3.	Fund-based - LT-Proposed fund based limits	LT	1.50	CARE BB-; Stable	-	-	-	-

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

Contact us

Media Contact
Mradul Mishra
Contact no. – +91-22-6837 4424
Email ID – mradul.mishra@careratings.com

Analyst Contact
Group Head Name - Mr Manish Kumar
Group Head Contact no.- 040-67937415
Group Head Email ID- manish.kumar@careratings.com

Business Development Contact
Name: Mr. Aakash Jain
Contact no.: 020- 40009000
Email ID : aakash.jain@careratings.com

About CARE Ratings:
CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading

service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE’s ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE’s ratings do not convey suitability or price for the investor. CARE’s ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE’s rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

West Bengal State Electricity Distribution Company Limited
July 16, 2019

Ratings

Instrument	Amount (Rs. crore)	Rating[2]	Rating Action
Secured Redeemable Bond Issue – Series II	500.00 (Rupees Five Hundred crore Only)	**CARE BBB-; Negative (Triple B Minus; Outlook: Negative)**	**Revised from CARE BBB+; Negative (Triple B Plus; Outlook: Negative)**
Secured Redeemable Bond Issue – Series I Tranche I	250.00 (Rupees Two Hundred Fifty crore Only)	**CARE BBB-; Negative (Triple B Minus; Outlook: Negative)**	**Revised from CARE BBB+; Negative (Triple B Plus; Outlook: Negative)**
Secured Redeemable Bond Issue – Series I Tranche I	250.00 (Rupees Two Hundred Fifty crore Only)	**CARE BBB-; Negative (Triple B Minus; Outlook: Negative)**	**Revised from CARE BBB+; Negative (Triple B Plus; Outlook: Negative)**

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The revision in the rating assigned to the Bond issue of West Bengal State Electricity Distribution Company Limited (WBSEDCL) is on account of significant build-up of regulatory asset due to non- revision of tariff since October 2016, non-approval of Annual Performance Review (APR) from FY14 onwards, uncertainty of timeframe for recovery of regulatory assets and increasing gap between the average cost of supply and approved tariff. The rating continues to draw strength from the 100% ownership of Government of West Bengal (GoWB) and support in the form of grant and loans, large distribution network across the State of West Bengal, favourable consumption mix, satisfactory collection efficiency, and regulated nature of operations with cost-plus based tariff supported by operational Monthly Variable Cost Adjustment (MVCA) for pass-through of increase in power purchase cost. The rating is, however, constrained by regulatory risk, operational inefficiency on account of higher distribution loss as compared with the normative levels, moderate financial performance and capital structure, risk associated with execution and implementation of on-going projects and pending reconciliations and accounting adjustments arising out of unbundling exercise.

Timely receipt of expected funding support from GoWB and clarity on timeliness of tariff approval alongwith increase in MVCA and truing up shall be crucial. The ability of the company to improve operational efficiency through reduction of distribution loss, liquidation of regulatory asset by way of adequate and timely revision of the tariff and improvement in capital structure shall remain the key rating sensitivities.

Outlook: Negative

The outlook continues to be 'Negative' in view of non-filing of tariff order for FY19, increasing regulatory assets and increasing gap between the average cost of supply and approved tariff. The outlook may be revised to 'Stable' on significant reduction of regulatory assets and improvement in financial performance on account of revision in tariff along with improvement in the capital structure.

Detailed description of the key rating drivers

Key Rating Strengths

Wholly owned undertaking of GoWB and support in the form of grant

Incorporated on February 16, 2007 as a wholly owned subsidiary of GoWB via spin-off of WBSEB, the company is involved in carrying out the power distribution activity of WBSEB as a separate dedicated company. GoWB gave grant of Rs.2,033 crore and Rs.614 crore in FY17 & FY18 respectively. The same has been utilized towards repayment of loan from GoWB (taken for funding regulatory asset). Further, GoWB has demonstrated fund support of Rs.500 cr in FY19 in the form of short-term loan which was repaid within Mar 31, 2019. In FY20, the company is in discussion with GoWB for infusion of funds of Rs.1,500 crore in the form of grant by September 2019. Timely receipt of aforesaid funding support shall be crucial.

Largest power distribution entity in the State of West Bengal

WBSEDCL is a major power utility of West Bengal with consumer strength of over 1.91 crore with distribution spanning among 5 zones through 20 regional offices, 72 distribution divisions and 512 customer care centers.

High Collection efficiency and metering of supply

WBSEDCL has almost 100% metered supply for domestic, industrial customer segments and for agricultural segments.

[1]*Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications*

The company's billing procedure is fully computerized thereby leading to efficient collection mechanism. The average collection efficiency in the last three years has been at about 95% with the collection efficiency of 99.06% in FY18.

Favourable consumption mix
With a large urban/ semi urban profile of the license area, WBSEDCL has a favourable consumption mix with high tariff segments (such as commercial & industrial) accounting for about 50% of the consumption and domestic consumption accounting for about 33% of the consumption in FY19.

Regulated operations under cost-plus tariff scheme
Under the WBERC Tariff Regulations, 2011, WBSEDCL files with WBERC an application indicating the Annual Revenue Requirement (ARR) depending on the expected cost of distribution and return on equity (16.5%). In case of higher fuel & power purchase cost incurred (than allowed in tariff determination), the company submits petition for Fuel and Power Purchase Cost Adjustment (FPPCA) to be allowed in the future tariff. The company is charging MVCA of Rs.23p/unit since July 2016.

Key Rating Weaknesses
Significant build-up of Regulatory Asset
Recovery of accumulated regulatory assets which has reached Rs.12,685 crore as on March 31, 2019 (mainly financed through short-term loans / GoWB loans) is critical to WBSEDCL's deleveraging. In order to avoid tariff shock, GoWB was considering a proposal to take over 75% of the outstanding regulatory asset balance. However, no clarity on the timeline of the same is visible. In line with Regulatory norms, the company will recover the same once the APRs are approved. The APR from FY14 to FY18 are pending with WBERC for approval.
Regulatory risks relating to revision in tariffs
WBSEDCL is exposed to regulatory risk associated with delay in receipt of tariff order and non-allowance of expenses by the Commission. Tariff order for FY15 (Rs.6.58/kwh) was issued on March 04, 2015, for FY16 (Rs.6.55/unit) on August 10, 2015 and that for FY17 (Rs.6.89/kwh) was issued on October 28, 2016. Tariff order for the year FY17-18 has been issued on July 04, 2018, wherein tariff of Rs.6.89 has been allowed for the year. Further, the company has not yet filed its Tariff petition with WBERC for FY19 and FY20. This results in exposure to regulatory risks.

Distribution loss higher than normative levels
The operational efficiency of WBSEDCL has been mired by the high level of distribution losses over the years. The same remained higher than the normative levels mainly due to legacy distribution infrastructure and execution of massive rural electrification schemes of State and Central Government [time lag of 3-4 months in bringing the newly added consumers into the billing cycle]. However, in FY19, the same improved to 22.97% from 27.33% in FY18 as a result of improvement in collection efficiency and modernization of legacy infrastructure.

Moderate financial performance and capital structure
Net sales of the company increased y-o-y by 8.22% in FY19 from FY18. The increase was mainly on account of addition of new consumers in FY19 and acquisition of Durgapur Projects Limited w.e.f. January 01, 2019 leading to incremental sales of ~Rs.120 crore per month. PBILDT for FY19 remained stable compared to FY18. The company earned profit of Rs.51 crore in FY19 compared to Rs.41 crore in FY18.
Though the total debt witnessed a reduction in FY19 compared to FY18, the same continues to be on a higher level on account of regulatory assets being funded through short-term/GoWB loans. Overall gearing ratio though improved from 5.43x as on March 31, 2018 to 4.93x as on March 31, 2019, was high. Interest coverage ratio improved marginally from 1.51x in FY18 to 1.62x in FY19 on account of decrease in interest cost with scheduled repayment of loan. Excluding regulatory income, the interest coverage ratio would reduce to 1.08x in FY19.

Ongoing project
WBSEDCL, being a state power distribution utility, is implementing various power distribution related projects. Projects under rural electrification programmes are, however, entirely funded through State Government loans. In such projects (classified as plan scheme projects), the company acts as a nodal agency of the Ministry of Power, GoWB, and executes projects out of fund received through govt. grants/loans. The proposed project expenditure is determined under each plan period and funds are allocated accordingly. Besides, the company is also executing upgradation and renovation projects (classified as non-plan scheme projects) which are financed at a debt-equity ratio of 7:3, being in line with the regulatory norms. Equity portion is majorly contributed through consumer contribution and government grants.

Liquidity Position - Stretched
WBSEDCL has a debt repayment obligation of Rs.2,200 crore in FY20 (out of which Rs.604 crore is backed by Government guarantee). Against this, the company has cash and cash equivalents of Rs.861 crore as on March 31, 2019. Further, the

company has undrawn line of credit amounting to Rs.1,382 crore as on July 08, 2019 providing liquidity comfort.
Analytical approach: Standalone

Applicable Criteria
Criteria on assigning Outlook to Credit Ratings
CARE's Policy on Default Recognition
Financial ratios – Non-Financial Sector
Rating Methodology – Infrastructure Sector Ratings

About the Company
Incorporated in 2007, WBSEDCL, wholly owned by the GoWB, is engaged in the power distribution business in the State of West Bengal. The company has been formed as a part of the unbundling of West Bengal State Electricity Board (WBSEB). WBSEDCL is dedicated towards the distribution business while the power generation business is carried by West Bengal Power Development Corporation Limited (WBPDCL) and transmission activity vests with West Bengal State Electricity Transmission Company Limited (WBSETCL).
WBSEDCL has the power distribution licensee for nearly the entire state of West Bengal except for certain areas which are catered by the private distribution licensees. Besides power distribution, WBSEDCL also has hydel power generation capacity of 176.55 MW of erstwhile WBSEB.
As per WBERC's tariff order dated July 04, 2018 the average tariff for FY18 is Rs.6.89/unit (no change from Rs.6.89/unit for FY17). Besides this, the company is charging MVCA of 23p/unit since July 2016.

Brief Financials (Rs. Crore)	FY18 (A)	FY19 (P)
Total Operating Income	20,788	22,323
PBILDT	2,322	2,314
PAT	41	51
Overall gearing (times)	5.43	4.93
Interest coverage (times)	1.51	1.62

A: Audited; P: Provisional

Status of non-cooperation with previous CRA: NA

Any other information: Not Available

Rating History (Last three years): Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Bonds-Secured Reedemable Bonds	August 05, 2011	10.85%	August 04, 2026	500.00	CARE BBB-; Negative
Bonds-Secured Reedemable Bonds	October 26, 2010	9.34%	October 25, 2025	250.00	CARE BBB-; Negative
Bonds-Secured Reedemable Bonds	August 17, 2010	9.34%	August 16, 2025	250.00	CARE BBB-; Negative

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Bonds-Secured Reedemable Bonds	LT	500.00	CARE BBB-; Negative	1)CARE BBB+; Negative (05-Apr-19)	1)CARE BBB+; Stable (07-Apr-18)	1)CARE BBB+; Stable (02-May-17)	1)CARE BBB+ (06-Jun-16)
2.	Bonds-Secured Reedemable Bonds	LT	250.00	CARE BBB-; Negative	1)CARE BBB+; Negative (05-Apr-19)	1)CARE BBB+; Stable (07-Apr-18)	1)CARE BBB+; Stable (02-May-17)	1)CARE BBB+ (06-Jun-16)
3.	Bonds-Secured Reedemable Bonds	LT	250.00	CARE BBB-; Negative	1)CARE BBB+; Negative (05-Apr-19)	1)CARE BBB+; Stable (07-Apr-18)	1)CARE BBB+; Stable (02-May-17)	1)CARE BBB+ (06-Jun-16)
4.	Bonds-Secured Reedemable Bonds	LT	-	-	-	-	1)Withdrawn (20-Jul-17) 2)CARE BBB+; Stable (02-May-17)	1)CARE BBB+ (06-Jun-16)
5.	Fund-based - LT-Cash Credit	LT	-	-	-	1)Withdrawn (20-Sep-18) 2)CARE BBB+; Stable; ISSUER NOT COOPERATING* (07-Apr-18)	1)CARE BBB+; Stable (02-May-17)	1)CARE BBB+ (06-Jun-16)
6.	Non-fund-based - ST-BG/LC	ST	-	-	-	1)Withdrawn (20-Sep-18) 2)CARE A2; ISSUER NOT COOPERATING* (07-Apr-18)	1)CARE A2 (02-May-17)	1)CARE A2 (06-Jun-16)

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

Contact us

Media Contact
Mradul Mishra
Contact no.- +91-22-6837-4424
Email ID – mradul.mishra@careratings.com

Analyst Contact
Name: Mr. Punit Singhania
Contact No. - 033-4018 1620
Email id - punit.singhania@careratings.com

Business Development Contact
Name: Mr. Lalit Sikaria
Contact No. - 033-4018 1607
Email id – lalit.sikaria@careratings.com

About CARE Ratings:
CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

West Bengal State Electricity Transmission Company Limited
July 16, 2019

Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings[3]	Rating Action
Long-term Bank Facilities	70.11 (reduced from 87.20)	**CARE BBB+; Stable (Triple B Plus, Outlook: Stable)**	**Revised from CARE A; Stable (Single A; Outlook: Stable)**
Long/Short-term Bank Facilities	325.00	**CARE BBB+; Stable/CARE A2 (Triple B Plus; Outlook: Stable/A Two)**	**Revised from CARE A; Stable/CARE A1 (Single A; Outlook: Stable/A One)**
Total	**395.11 (Rupees Three Hundred Ninety Five crore and Eleven lakh only)**		
Long-term Secured Redeemable Bonds Series I – Tranche I	18.30 (reduced from 36.60) (Rupees Eighteen crore and Thirty lakh only)	**CARE BBB+; Stable (Triple B Plus, Outlook: Stable)**	**Revised from CARE A; Stable (Single A; Outlook: Stable)**
Long-term Secured Redeemable Bonds Series II	250.00 (Rupees Two Hundred Fifty crore only)		
Issuer Rating	-	**'CARE BBB+ (Is)'; Stable (Triple B Plus (Issuer Rating), Outlook: Stable)**	**Revised from CARE A (Is); Stable (Single A (Issuer Rating); Outlook: Stable)**

Details of instruments/facilities in Annexure-1
The issuer rating is subject to the company maintaining overall gearing ratio not exceeding 1x

Detailed Rationale & Key Rating Drivers

The revision in the ratings assigned to the bank facilities/instruments of West Bengal State Electricity Transmission Company Limited (WBSETCL) is on account of weakening of the credit profile of its main counterparty, viz. West Bengal State Electricity Distribution Company Limited (WBSEDCL; rated CARE BBB-; Negative) from whom the company derives more than 90% of its revenue.

The ratings continue to draw strength from the 100% ownership by the Government of West Bengal (GoWB), monopoly status in the power transmission in West Bengal with wide transmission network, strong operational efficiency as indicated by high system availability and low transmission loss, regulated nature of operations based on cost-plus based tariff, satisfactory collection efficiency, stable financial performance in FY19 (Provisional), moderate leverage ratios, comfortable liquidity position and sufficient financial flexibility for executing debt-laden capex. The ratings, however, continue to remain constrained by customer concentration risk, exposure to regulatory risk given non-receipt of true-up order post FY13, risk associated with execution and implementation of on-going projects accentuated by possible delays in land acquisition and right of way.

Any deviation from the funding pattern of the project leading to significant change in WBSETCL's capital structure (overall gearing exceeding 1x) and its ability to continue maintaining high system availability, further deterioration in performance of its sole customer (WBSEDCL) and timely collection of receivables shall remain the key rating sensitivities.

Detailed description of the key rating drivers

Key Rating Strengths

Wholly owned undertaking of GoWB

Incorporated on February 16, 2007 as a wholly owned subsidiary of GoWB via spin-off of West Bengal State Electricity Board (WBSEB), the company is involved in carrying out the power transmission activity of WBSEB as a separate dedicated company.

Sole transmission utility in the state of West Bengal

The area of operation of WBSETCL covers the entire State of West Bengal, except for those areas that are covered by other licensees like CESC Limited, Damodar Valley Corporation, Durgapur Power Ltd. and India Power Corporation Limited. WBSEDCL is the sole long-term user of the transmission network of WBSETCL since power purchased from all the

[1]*Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications*

State & Central sector generating stations and private power companies is transmitted through the transmission network of WBSETCL.

High operational efficiency exemplified by high system availability and low transmission loss

The company is continuously increasing its transmission network every year and having a transmission network of 13,613 circuit kilometre (Ckm) having transmission capacity of about 29,570 MVA spread across the entire State of West Bengal. Over the past seven years till FY18, transmission loss for WBSETCL has been around 3% which is better than the WBERC norms. The company has also maintained system availability of over 99% during the last four years with the availability being 99.85% in FY18.

Assured revenue at 'cost plus' basis

Transmission charges is billed and accounted for on the basis of tariff orders which stipulates the Annual Revenue Requirement (ARR) under 'cost plus' mechanism. All reasonable expenses (including duties, taxes, etc) are pass-through in tariff with 15.5% return on equity. Any incremental uncontrollable expense is also allowed to be passed through in tariff through APR process.

Stable financial performance

The total operating income of the company witnessed a growth of 4.75% y-o-y in FY19. PBILDT margin improved from 69.71% in FY18 to 73.04% in FY19 due to improved operating efficiency. However, the PAT margin remained stable on account of increase in capital charges. GCA of the company improved and stood at Rs.654 crore in FY19 vis-à-vis debt repayment obligation of Rs.270 crore. Interest coverage ratio remained stable at 3.76x in FY19 (3.80x in FY18).

Moderate leverage ratios

Overall gearing ratio improved to 0.75x as on March 31, 2019 vis-à-vis 0.82x as on March 31, 2018 on account of accretion of profits to reserves. The TD/GCA also improved slightly from 5.85x in FY18 to 5.11x in FY19.

Sufficient financial flexibility for executing debt-laden capex

With a view to match the anticipated growth in the energy demand in West Bengal and the expected generation capacity addition during the XIII Plan period (FY18-FY22), WBSETCL has undertaken various expansion projects towards development of transmission infrastructure. As per the tariff petition filed for FY17-FY18, the company had outlined an investment plan of Rs.6,850 crore in FY18-FY22 out of which the company has incurred Rs.994 crore in FY18 and Rs.1,075 crore in FY19. To support the projected investments, the company has to largely rely on the loans from financial institutions and private placement of bonds (as WBERC norms provide for the project to be financed at a debt-equity ratio of 2.33:1). Considering the overall gearing ratio of 0.75x as on March 31, 2019, the company has sufficient financial flexibility for executing debt-laden capex.

Key Rating Weaknesses

Customer concentration risk

WBSEDCL is the sole long term user of the transmission network of WBSETCL and accounts for more than 90% of its total revenue earned. WBSEDCL has a track record of timely payment (within 60 days) of transmission charges to WBSETCL till date and has ~100% collection efficiency. Given that the majority of revenue is derived from WBSEDCL, the fortunes of WBSETCL is closely linked to the credit profile of WBSEDCL.

Weakening of credit profile of its major customer

The credit profile of WBSEDCL, major customer of WBSETCL has weakened substantially over the period mainly due to build-up of huge regulatory asset as a result of non-revision of tariff since October 2016, non-approval of APR from FY14 onwards and increasing gap between the average cost of supply and approved tariff. This has led to huge debt level burden on WBSEDCL. Recovery of accumulated regulatory assets which has reached Rs.12,685 crore as on March 31, 2019 (mainly financed through short-term loans / GoWB loans) is critical to WBSEDCL's deleveraging. In order to avoid tariff shock, GoWB was considering a proposal to take over 75% of the outstanding regulatory asset balance. However, no clarity on the timeline of the same is visible.

Regulatory risk

Revenue from transmission charges is collected based on the tariff fixed by WBERC, which stipulates the ARR to be recovered from the consumers during the year under consideration. Any delay in issuing orders any change in the terms and conditions of tariff determination as well as disallowance of any of the ARR components may have a significant impact on the profitability of WBSETCL. WBSETCL has submitted APR petition for FY14-FY18 with aggregate claim of Rs.240 crore. However, the order in respect of the same is pending, exposing WBSETCL to regulatory risk. Also, WBERC has issued tariff order for FY18 on July 04, 2018.

Project execution risk
High population density and relatively high percentage of population being dependent on agriculture has led to reduced availability of land and right of way (ROW) posing major risk for the expansion of transmission network that the company is undertaking.

Liquidity position - Adequate
The company has an adequate liquidity position with cash and liquid investments of Rs.455 crore as on March 31, 2019. Further in FY19, the company earned a GCA of Rs.654 crore against a debt repayment obligation of Rs.270 crore. The company has a debt repayment obligation of Rs.309 crore in FY20 which it expects to meet out of its cash accruals for FY20. The average fund based working capital utilisation of the company remained at around 40% as maintained by the bankers during the last 12 months indicating undrawn line of credit amounting to Rs.200 crore as on June 30, 2019 providing liquidity buffer.

Analytical approach: Standalone

Applicable Criteria
Criteria on assigning Outlook to Credit Ratings
CARE's Policy on Default Recognition
Financial ratios – Non-Financial Sector
Criteria for Short Term Instruments
Rating Methodology – Infrastructure Service Sector
Criteria for Issuer Rating

About the Company
Incorporated in 2007, as a part of the restructuring initiative of West Bengal State Electricity Board (WBSEB), which had its operations spanning across complete value chain of generation, distribution and transmission of power, WBSETCL has been established as a separate dedicated company, wholly owned by the GoWB, for carrying out the power transmission activity. Presently, power generation activity vests with West Bengal Power Development Corporation Limited (WBPDCL) and distribution activity vests with WBSEDCL.
As on March 31, 2018 the company owns and operates a transmission network of 13,613 circuit kilometre (Ckm) Extra High Voltage (EHV) transmission lines and 124 EHV sub-stations having transmission capacity of about 29,570 MVA spread across the entire State of West Bengal. It handled energy flow of 49,560 million units (MU) in FY18 (46,801 MU in FY17) with average transmission loss of 2.77% and availability factor of over 99.85%.
WBERC had issued tariff order in July 2018 for the year 2017-18. Tariff petition for 2018-19 & 2019-20 is expected to be filed shortly. The Annual Performance Review (APR) from FY14 to FY18, are also pending with WBERC.

Brief Financials (Rs. Crore)	FY18 (A)	FY19 (P)
Total Operating Income	1335.14	1398.59
PBILDT	930.78	1021.50
PAT	367.74	400.55
Overall gearing (times)	0.85	0.75
Interest coverage (times)	3.80	3.76

A: Audited; P: Provisional

Status of non-cooperation with previous CRA: NA

Any other information: Not Available

Rating History (Last three years): Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	June 2022	70.11	CARE BBB+; Stable
Fund-based - LT/ ST-Working Capital Demand loan	-	-	-	325.00	CARE BBB+; Stable / CARE A2
Issuer Rating-Issuer Ratings	-	-	-	0.00	CARE BBB+ (Is); Stable
Bonds-Secured Reedemable Bonds	July 2011	10.29%	July 26, 2021	250.00	CARE BBB+; Stable
Bonds-Secured Reedemable Bonds	October 2010	9.75%	October 16, 2019	18.30	CARE BBB+; Stable

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Term Loan	LT	70.11	CARE BBB+; Stable	1)CARE A; Stable (05-Apr-19)	1)CARE A; Stable (05-Apr-18)	1)CARE A; Stable (28-Apr-17)	-
2.	Issuer Rating-Issuer Ratings	Issuer rat	0.00	CARE BBB+ (Is); Stable	1)CARE A (Is); Stable (05-Apr-19)	1)CARE A (Is); Stable (05-Apr-18)	1)CARE A (Is); Stable (28-Apr-17)	-
3.	Bonds-Secured Reedemable Bonds	LT	250.00	CARE BBB+; Stable	1)CARE A; Stable (05-Apr-19)	1)CARE A; Stable (05-Apr-18)	1)CARE A; Stable (28-Apr-17)	-
4.	Commercial Paper	ST	-	-	-	-	1)Withdrawn (28-Apr-17)	-
5.	Bonds-Secured Reedemable Bonds	LT	18.30	CARE BBB+; Stable	1)CARE A; Stable (05-Apr-19)	1)CARE A; Stable (05-Apr-18)	1)CARE A; Stable (28-Apr-17)	-
6.	Fund-based - LT/ ST-Working Capital Demand loan	LT/ST	325.00	CARE BBB+; Stable / CARE A2	1)CARE A; Stable / CARE A1 (05-Apr-19)	1)CARE A; Stable / CARE A1 (05-Apr-18)	1)CARE A; Stable / CARE A1 (28-Apr-17)	-

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

Contact us

Media Contact
Mradul Mishra
Contact no.- +91-22-6837-4424
Email ID – mradul.mishra@careratings.com

Analyst Contact
Name: Mr. Punit Singhania
Contact No. - 033-4018 1620
Email id - punit.singhania@careratings.com

Business Development Contact
Name: Mr. Lalit Sikaria
Contact No. - 033-4018 1607
Email id – lalit.sikaria@careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

Amit Constructions
July 16, 2019

Rating

Facilities	**Amount(Rs. crore)**	**Rating**[4]	**Rating Action**
Long term Bank Facilities	5.00	**CARE D ISSUER NOT COOPERATING;* (Single D ISSUER NOT COOPERATING;)**	**Issuer not cooperating; Revised from CARE B; Stable; ISSUER NOT COOPERATING*(Single B; Stable; ISSUER NOT COOPERATING*)on the basis of best available information**
Total	**5.00 (Rs. Five crore only)**		

Details of instruments/facilities in Annexure I

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated October 19, 2018, placed the rating(s) of Amit Constructions (AC) under the 'issuer non-cooperating' category as Amit Constructions had failed to provide information for monitoring of the rating. Amit Constructions continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter dated July 11, 2019. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

At the time of last rating on October 19, 2018, the following were the rating strengths and weaknesses (updated for information available from banker).

Key Rating Weaknesses

Ongoing delays in debt servicing: As informed by banker, there are overdrawals in the overdraft account and delays in the servicing of interest.

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer]
[Criteria on assigning Outlook to Credit Ratings]
[CARE's Policy on Default Recognition]
[Financial ratios – Non-Financial Sector]
[Rating Methodology-Manufacturing Companies]

About the Company

Amit Constructions, a proprietorship firm, was established in the year 1999 by Mr. Roman Felix Philip Dsouza. The firm is engaged into civil construction where it undertakes construction projects for building of hospital, schools, offices, stadium, footpath, water tanks, etc. The entity is Class-I A category contractor and generally takes tender based contracts for its projects where it majorly caters to Navi Mumbai Municipal Corporation and CIDCO. The firm procures raw materials like cement material, ready mix concrete, steel and plumbing material, etc. from established vendors such as Ultratech Cement, etc.

Brief Financials (Rs. crore)	**FY16 (A)**	**FY17 (Prov.)**
Total operating income	6.64	3.41
PBILDT	0.90	0.56
PAT	0.48	0.36
Overall gearing (times)	3.02	2.75
Interest coverage (times)	4.71	7.71

A: Audited; Prov: Provisional

[1]*Complete definitions of the ratings assigned are available at www.careratings.com and other CARE publications.*
**Issuer did not cooperate; Based on best available information*

Status of non-cooperation with previous CRA: CRISIL vide its press release dated March 22, 2016, has suspended the rating assigned to the bank facilities of Amit Constructions (AC) due to non-submission of adequate information.

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Bank Overdraft	-	-	-	5.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE B; Stable; ISSUER NOT COOPERATING* on the basis of best available information

Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Bank Overdraft	LT	5.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE B; Stable; ISSUER NOT COOPERATING* on the basis of best available information	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (19-Oct-18)	1)CARE B; Stable (05-Oct-17)	-

Issuer did not cooperate; Based on best available information

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

Contact us

Media Contact
Mradul Mishra
Contact no. - +91-22-6837 4424
Email ID - mradul.mishra@careratings.com

Analyst Contact
Group Head Name - Ruchi Shroff
Group Head Contact no. - 02267543554
Group Head Email ID- ruchi.shroff@careratings.com

Business Development Contact
Ms. Meenal Sikchi
Cell: + 91 98190 09839
E-mail: meenal.sikchi@careratings.com

Ms. Rashmi Narvankar
Cell: + 91 99675 70636
E-mail:rashmi.narvankar@careratings.com

Mr. Ankur Sachdeva
Cell: + 91 98196 98985
E-mail: ankur.sachdeva@careratings.com

Mr. Saikat Roy
Cell: + 91 98209 98779
E-mail: saikat.roy@careratings.com

About CARE Ratings:
CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

Shiv Onkar Plasto Private Limited
July 16, 2019

Ratings

Facilities/Instruments	**Amount (Rs. crore)**	**Rating[5]**	**Rating Action**
Long term Bank Facilities	2.73	CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable ISSUER NOT COOPERATING*)	Issuer Not Cooperating; Revised from CARE B; Stable; ISSUER NOT COOPERATING*based on best available information.
Total	**2.73 (Rupees Two crore and Seventy-Three lakh only)**		

**Details of facilities in Annexure-1*

Detailed Rationale & Key Rating Drivers

CARE has been seeking information from Shiv Onkar Plasto Private Limited (SOPL) to monitor the rating vide e-mail communications/letters dated June 06, 2019, June 10, 2019, June 12, 2019 and numerous phone calls. However, despite our repeated requests, the entity has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the publicly available information which however, in CARE's opinion is not sufficient to arrive at a fair rating. The rating on SOPL's bank facilities will now be denoted as **CARE B-; Stable; ISSUER NOT COOPERATING***.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating.

The revision in the rating takes into account the overall deterioration in the financial risk profile of the company during FY18. During FY18, the company has reported net loss of Rs.0.29 crore on a total operating income of Rs.0.44 crore. However, the rating continues to remain constrained by its nascent stage of operations with operation stabilization risk, exposure to volatility in prices of raw materials and presence in an fragmented and highly competitive industry. Moreover, the rating continues to draw comfort from promoter's experience.

Detailed description of the key rating drivers

Key Rating Weakness

Nascent stage of manufacturing activities with operations stabilization risk: SOPL has set up a manufacturing unit of molded plastic chair at aggregate cost of Rs.5.20 crore funded by term loan of Rs.1.96 crore, unsecured loan of Rs.1.61 crore and balance through equity of Rs.1.63 crore. The plant became operational in April, 2017. Hence, the company has an extremely short track record of manufacturing operations. During FY18, the company has reported net loss of Rs.0.29 crore on a total operating income of Rs.0.44 crore However, there exists risk relating to stabilization of operations at the newly commissioned unit and off-take of its products.

Volatility in prices of raw materials: The primary raw material required by SOPL is PP granules which would constitute the majority of the total cost of sales, thereby making profitability sensitive to raw material prices. The major raw material for the company is polypropylene granule which is a crude oil derivative and witnesses frequent price fluctuations. Therefore, the operating margin of the company remains susceptible to any sharp movement in raw material prices.

Fragmented and competitive industry: Molded plastic chair business is highly fragmented due to presence of huge small players owing to low entry barrier and low capital requirement. Furthermore, SOPL being new in the industry is facing stiff competition from the organized as well as unorganized players.

Key Rating Strengths

Experienced promoters: The key promoter Mr Jitendra Kumar Singh has around 7 years of experience in civil construction business, looks after the day to day operations of the company. He is supported by other directors namely Mr Sudhir Kumar Singh and Mrs Poonam Singh who also have experience in civil construction business. However, the promoters lack experience in the plastic chair industry.

Liquidity Position: The liquidity position of the company was weak marked by its current ratio of 0.77x as on March 31, 2018. The company has generated negative cash accrual during FY18.

[1]*Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications*
**Issuer not cooperating, based on best available information*

Analytical approach: Standalone

Applicable Criteria
[Policy in respect of Non-cooperation by issuer]
[Criteria on assigning Outlook to Credit Ratings]
[CARE's Policy on Default Recognition]
[Criteria for Short Term Instruments]
[Rating Methodology-Manufacturing Companies]
[Financial ratios – Non-Financial Sector]

About the Company
SOPL was incorporated in July 2009 in the name of Shiv Onkar Constructions Private Limited. However, the name of the company was changed to current one with effect from April 2015. Initially the company was into civil construction and restaurant business. However, the company had discontinued the civil construction and restaurant business since April 2016. After change of its name, the company had started setting up manufacturing plant for molded plastic chair. In April 2017, SOPL has completed the project with aggregate cost of Rs.5.20 crore. SOPL has commenced commercial operations from April 2017 onwards. The manufacturing facility of the company is located at Sitamarhi, Bihar with aggregate installed capacity of 432000 chairs per annum.

Brief Financials (Rs. crore)	FY17 (A)	FY18 (A)
Total operating income	0.00	0.44
PBILDT	0.00	0.05
PAT	0.00	-0.29
Overall gearing (times)	1.99	3.00
Interest coverage (times)	0.00	0.21

A: Audited

Status of non-cooperation with previous CRA: Not Applicable.

Any other information: Not Applicable.

Rating History (Last three years): Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	November 2022	1.98	CARE B-; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE B; Stable; ISSUER NOT COOPERATING* on the basis of best available information
Fund-based - LT-Cash Credit	-	-	-	0.75	CARE B-; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE B; Stable; ISSUER NOT COOPERATING* on the basis of best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Term Loan	LT	1.98	CARE B-; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE B; Stable; ISSUER NOT COOPERATING* on the basis of best available information	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (22-Jun-18)	1)CARE B; Stable (20-Jun-17)	-
2.	Fund-based - LT-Cash Credit	LT	0.75	CARE B-; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE B; Stable; ISSUER NOT COOPERATING* on the basis of best available information	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (22-Jun-18)	1)CARE B; Stable (20-Jun-17)	-

* Issuer not cooperating; based on best available information

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

Contact us

Media Contact
Mradul Mishra
Contact no. – +91-22-6837 4424
Email ID – mradul.mishra@careratings.com

Analyst Contact:
Name: Rajesh Shaw
Contact No.: 033-4058 1911
Email: rajesh.shaw@careratings.com

Business Development Contact
Name: Sambit Das
Contact no. : 033 4058 1904
Email ID: sambit.das@careratings.com

About CARE Ratings:
CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer
CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.
Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

S. P. Malik and Company Private Limited
July 16, 2019

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating[6]	Rating Action
Long term Bank Facilities	2.00	CARE BB; ISSUER NOT COOPERATING* (Double B; ISSUER NOT COOPERATING*)	ISSUER NOT COOPERATING; Based on best available information.
Short term Bank Facilities	7.50	CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*)	ISSUER NOT COOPERATING; Based on best available information.
Total	**9.50 (Rupees Nine crore and Fifty lakh only)**		

**Details of facilities in Annexure-1*

Detailed Rationale & Key Rating Drivers

CARE has been seeking information from S. P. Malik and Company Private Limited (SPMCPL) to monitor the rating vide e-mail communications/letters dated June 06, 2019, June 10, 2019, June 12, 2019 and numerous phone calls. However, despite our repeated requests, the entity has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the publicly available information which however, in CARE's opinion is not sufficient to arrive at a fair rating. The rating on SPMCPL's bank facilities will now be denoted as **CARE BB; ISSUER NOT COOPERATING*/CARE A4; ISSUER NOT COOPERATING***.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating.

At the time of last rating in July 11, 2018 the following were the rating strengths and weaknesses; (Updated for the information available from Registrar of Companies.)

Detailed description of the key rating drivers

Key Rating Weakness

Small scale of operations with moderate profit margins: The scale of operations of SPMCPL has remained small marked by total operating income of Rs.32.21 crore with a PAT of Rs.3.02 crore in FY18. The profit margins of the company have remained moderate marked by PBILDT margin of 14.34% and PAT margin of 9.36% in FY18.

High competitive intensity on account of low complexity of work involved with sluggish economic scenario: The company has to bid for the contracts based on tenders opened by the various divisions of Indian Railways. Upon successful technical evaluation of various bidders, the lowest bid is awarded the contract. Since the type of work done by SPMCPL is mostly commoditized, the company faces intense competition from other players. The company receives projects which majorly are of a short to medium tenure (i.e. to be completed within maximum period of one to two years). Apart from this, present economic slowdown is also having a negative bearing on the construction sector which may also hinder the growth of the company.

Key Rating Strengths:

Experienced promoters and long track record of operations: SPMCPL has been engaged in civil construction business since 1984 and thus has long track record of operations. The key promoters Mr Jagmohan Kapoor and Mr Naresh Kapoor are having more than three decades of experience in the civil construction industry, looks after the overall management of the company. Furthermore, they are assisted by other four directors.

Comfortable capital structure with comfortable debt coverage indicators: SPMCPL has a comfortable capital structure with overall gearing of 0.06x as on March 31, 2018. The debt protection metrics has remained comfortable marked by interest coverage ratio of 10.51 times in FY18 and total debt to GCA of 0.32x as in FY18.

Comment on liquidity position: The liquidity position of the company seems to be moderate marked by its current ratio of 3.51x as on March 31, 2018. The company has generated gross cash accrual of 3.24x during FY18.

[1]*Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications*
**Issuer not cooperating, based on best available information*

Analytical approach: Standalone

Applicable Criteria
[Policy in respect of Non-cooperation by issuer]
[CARE's Policy on Default Recognition]
[Criteria on assigning Outlook to Credit Ratings]
[CARE's methodology for manufacturing companies]
[Financial ratios – Non-Financial Sector]
[Criteria for Short Term Instruments]

About the Company
SPMCPL was incorporated in May, 1984 by the Kapoor family of Murshidabad, West Bengal. Since its inception, the company has been engaged in execution of civil construction works. SPMCPL undertakes civil constructions in the segments like construction & development of road, road over bridge.

Brief Financials (Rs. crore)	FY17 (A)	FY18 (A)
Total operating income	18.40	32.21
PBILDT	2.14	4.62
PAT	1.27	3.02
Overall gearing (times)	0.04	0.06
Interest coverage (times)	6.79	10.51

A: Audited

Status of non-cooperation with previous CRA: Not Applicable.

Any other information: Not Applicable.

Rating History (Last three years): Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	2.00	CARE BB; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Non-fund-based - ST-Bank Guarantees	-	-	-	7.50	CARE A4; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Cash Credit	LT	2.00	CARE BB; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE BB; ISSUER NOT COOPERATING* (11-Jul-18)	-	1)CARE BB; ISSUER NOT COOPERATING* (20-Mar-17)
2.	Non-fund-based - ST-Bank Guarantees	ST	7.50	CARE A4; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE A4; ISSUER NOT COOPERATING* (11-Jul-18)	-	1)CARE A4+; ISSUER NOT COOPERATING* (20-Mar-17)

* Issuer not cooperating; based on best available information

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

Contact us

Media Contact
Mradul Mishra
Contact no. – +91-22-6837 4424
Email ID – mradul.mishra@careratings.com

Analyst Contact:
Name: Rajesh Shaw
Contact No.: 033-4058 1911
Email: rajesh.shaw@careratings.com

Business Development Contact
Name: Sambit Das
Contact no. : 033 4058 1904
Email ID: sambit.das@careratings.com

About CARE Ratings:
CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.
Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

Garg & Company_(Ludhiana)
July 16, 2019

Rating

Facilities	**Amount (Rs. crore)**	**Rating[1]**	**Rating Action**
Long-term Bank Facilities (Fund Based)	14.00 (enhanced from 12.75)	**CARE B+; Stable (Single B Plus; Outlook: Stable)**	**Reaffirmed**
Long-term Bank Facilities (Term Loan)	-	**-**	**Withdrawn***
Long-term Bank Facilities (Non Fund Based)	-	**-**	**Withdrawn***
Total Facilities	**14.00 (Rupees Fourteen crore only)**		

**CARE has withdrawn the rating assigned to the Term Loan and Non-Fund based facility of Garg & Company (Ludhiana) (GCO), with immediate effect. The above action has been taken at the request of GCO and 'No Dues Certificate' received from the bank that have extended the facilities rated by CARE*
Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers
The rating assigned to the bank facilities of Garg & Company_(Ludhiana) (GCO) continues to constrained by its small scale of operations along with low profitability margins, weak overall solvency position and working capital intensive nature of operations. The rating is further constrained by susceptibility of the firm's profitability margins to fluctuation in the raw material prices, presence in a highly competitive steel industry and its constitution as a partnership firm. The rating, however, continues to take comfort from the experienced partners.
Going forward, the ability of the firm to profitably scale-up its operations while improving its overall solvency position will remain the key rating sensitivities.

Detailed description of the key rating drivers.
Key Rating Weaknesses
Small scale of operations along with low profitability margins
The total operating income (TOI) of GCO increased from Rs. 53.10 crore in FY18 to Rs. 70.66 crore in FY19 (Provisional) at a healthy rate of ~33.06% mainly on account of higher quantity sold owing to higher orders received from existing customers. However, the scale still remains small. The small scale limits the firm's financial flexibility in times of stress and deprives it of scale benefits.
The PBILDT margin moderated from 5.17% in FY18 to 4.56% in FY19 (Provisional) owing to increase in raw material costs that could not be passed onto to the customers. The PAT Margin declined from 0.60% in FY18 to 0.34% in FY19 (Provisional) due to higher interest expenses incurred.

Weak overall solvency position
The capital structure of the firm continued to remain leveraged reflected by overall gearing ratio of 2.54x as on March 31, 2019 (Provisional). The same, however, improved marginally on a year-on-year basis in FY19 owing to infusion of funds by partners in the form of capital.
The debt coverage indicators of the firm also remained weak marked by interest coverage ratio of 1.32x in FY19 (Provisional) and total debt to Gross Cash Accruals (GCA) of 20.39x, as on March 31, 2019. The interest coverage ratio deteriorated marginally on a year-on-year basis in FY19 due to higher interest expenses incurred while the total debt to GCA ratio deteriorated owing to higher utilization of working capital borrowings and lower cash accruals generated.

Susceptible to fluctuation in raw material prices
The prices of steel are driven by international prices, apart from domestic demand supply factors and therefore remain volatile. Thus, any adverse change in the prices of the raw material and traded goods may affect the profitability margins of the firm.

Presence in a highly competitive steel industry
The spectrum of the steel industry in which the firm operates is highly fragmented and competitive marked by the presence of numerous players in India. GCO faces direct competition from various organized and unorganized players in the market. There are a number of small and regional players who are located in India and catering to the same market.

[1]*Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.*

Constitution as partnership firm: GCO's constitution as a partnership firm has the inherent risk of possibility of withdrawal of the partners' capital at the time of personal contingency and firm being dissolved upon the death/retirement/insolvency of partners.

Key rating strengths
Experienced partners: GCO was established in 1972 and its day-to-day operations are looked after by the partners jointly. Mr. Harsih Kumar Garg has an industry experience of more than four decades through his association with GCO. Mr. Lokesh Jain and Mr. Kailash Jain have an industry experience of nearly one decade through their association with GCO only.

Liquidity Position
The operating cycle of the firm continued to remain elongated at 100 days for FY19 (Provisional) (PY: 125 days). The average utilization of the working capital limits remained fully utilised for the last 12 months period ended June, 2019. The current ratio stood moderate at 1.17x, however, quick ratio stood weak at 0.73x as on March 31, 2019(Prov.). The firm had free cash and bank balance of Rs.0.91 crore as on March 31, 2019(Prov.).

Analytical approach: Standalone

Applicable Criteria
Criteria on assigning Outlook to Credit Ratings
CARE's Policy on Default Recognition
Rating Methodology-Manufacturing Companies
Financial ratios – Non-Financial Sector

About the Firm
Garg & Company (GCO) was initially constituted as a proprietorship firm in 1972 by Mr. Harish Kumar Garg and in 2009, it was converted into a partnership concern with Mr. Lokesh Jain, Mr. Kailash Jain and Mr. Harish Kumar Garg. GCO is a family managed business and the firm is engaged in the trading of steel products, mainly, CR strips, HR strips, HR coils and HR strips and manufacturing of Electric Resistance Welded (ERW) pipes with total installed capacity of 15,000 tonnes per annum as on June 30, 2019. The firm sells the products mainly in Punjab. The income from manufacturing constituted around 80% of the total revenue in FY18 (Audited).

Brief Financials (Rs. crore)	FY18 (A)	FY19 (Prov.)
Total operating income	53.10	70.66
PBILDT	2.74	3.22
PAT	0.32	0.24
Overall gearing (times)	2.95	2.54
Interest coverage (times)	1.51	1.32

A: Audited; Prov.: Provisional

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History (Last three years): Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	-	0.00	Withdrawn
Fund-based - LT-Cash Credit	-	-	-	14.00	CARE B+; Stable
Non-fund-based - LT-Letter of credit	-	-	-	0.00	Withdrawn

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Term Loan	LT	-	-	-	1)CARE B+; Stable (25-Jul-18)	1)CARE B+; Stable (05-Sep-17)	1)CARE B+ (24-Oct-16)
2.	Fund-based - LT-Cash Credit	LT	14.00	CARE B+; Stable	-	1)CARE B+; Stable (25-Jul-18)	1)CARE B+; Stable (05-Sep-17)	1)CARE B+ (24-Oct-16)
3.	Fund-based - LT-Proposed fund based limits	LT	-	-	-	1)Withdrawn (25-Jul-18)	1)CARE B+; Stable (05-Sep-17)	1)CARE B+ (24-Oct-16)
4.	Non-fund-based - LT-Letter of credit	LT	-	-	-	1)CARE B+; Stable (25-Jul-18)	-	-

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

Contact us

Media Contact
Mradul Mishra
Contact no. – +91-22-6837 4424
Email ID – mradul.mishra@careratings.com

Analyst Contact
Name: Mr. Gaurav Gupta
Tel: 0172-4904002
Email: gaurav.g@careratings.com

Business Development Contact
Name: Mr. Anand Jha
Tel: 0172-4904001. :
Email ID : anand.jha@careratings.com

About CARE Ratings:
CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.
Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

Ahill Apparel Exports Private Limited
July 16, 2019

Rating

Facilities	Amount (Rs. crore)	Ratings[8]	Rating Action
Long -term Bank Facilities	27.92	**CARE BB+; Stable; ISSUER NOT COOPERATING* (Double B Plus; Outlook Stable; Issuer not cooperating)**	**Issuer not co-operating based on best available information**
Total Facilities	**27.92 (Rupees twenty seven crore and ninety two lakh only)**		

Details of instruments/facilities in Annexure

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated March 31, 2018, placed the rating(s) of Ahill Apparel Exports Private Limited (AAEPL) under the 'issuer non-cooperating' category as AAEPL had failed to provide information for monitoring of the rating. AAEPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and email dated April 30, 2019, May 10, 2019, May 17, 2019 and May 27, 2019. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating.

Detailed description of the key rating drivers

The rating assigned to the bank facilities of Ahill Apparel Exports Private Limited (AAEPL) continues to be tempered by fluctuating profitability margins, competitive nature of industry. The rating also factors in deterioration in debt coverage indicators in FY18 (refers to the period April 01-March 31) although comfortable. The rating is, however, underpinned by the long experience of promoters, comfortable capital structure and debt coverage indicators, comfortable operating cycle. The rating also factors in Increase in total operating income in FY18 (refers to the period April 01-March 31). Going forward the company's ability to increase its scale of operations and improve its profitability margins.

Key Rating Weakness

Fluctuating profitability margins

The PBILDT margin and PAT margin dropped from 19.53% and 8.10% respectively in FY17 to 10.79% and 2.69% respectively in FY18.

Competitive nature of the industry

Given lower capital requirements, apparel manufacturing is characterized by low entry barriers. The industry is highly fragmented industry with presence of large number of organized and unorganized manufacturers resulting in limited pricing power leading to thin operating margins. At the same time, AAEPL also faces competition from manufacturers in the neighboring countries like China, Bangladesh and Sri Lanka etc.

Key Rating Strengths

Long experience of promoters

The directors, Mr D. Elango, Mr S D. Arun and Mr E. Siva Parthiban, have been in the industry for more than 2 decades through participation in the family business with their relatives. They had expanded their family business to different geographical locations. Mr D. Elango looks after marketing, production & sales functions, Mr S D. Arun looks after administration & finance and Mr E. Siva Parthiban looks after the operations and production of AAEPL.

Increase in total operating income

The total operating income increased from Rs. 94.70 crore in FY17 to Rs. 108.99 crore in FY18

Comfortable capital structure and debt-coverage indicators

The capital structure of the company remained comfortable and stable at 0.54x as of March 31, 2017 and March 31, 2018. The total debt to gross cash accruals (TD/GCA) deteriorated from 1.59x in FY17 to 2.87x in FY18 while interest coverage ratio stood comfortable at 6.00x in FY18 deteriorated from 18.13x in FY17.

---

[1]*Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications*
Issuer didn't cooperate; based on best available information

Comfortable operating cycle

The operating cycle elongated to 48 days in FY18 as against 3 days in FY17 owing to increase in the average collection period which stood at 66 days in FY18 as against 36 days in FY17. Furthermore, the average creditor's period decreased to 58 days in FY18 compared to FY17 i.e 75 days.

Analytical Approach: Standalone

Applicable Criteria

Policy in respect of Non-cooperation by issuer
Criteria on assigning Outlook to Credit Ratings
Criteria for Manufacturing Companies
CARE's Policy on Default Recognition
Financial ratios – Non-Financial Sector

About the Company

AAEPL is a part of Ahill Apparel Group (established in the year 1994 as a partnership concern) and was incorporated as a Private Limited Company in the year April 01, 2010, by Mr D Elango, Mr S D Arun and Mr E Sivaparthiban. The other group companies within the group are viz. Laurel Apparels (LA) and Laurel Packs (LP), where, LA is engaged into manufacturing and export of hosiery garments and LP is engaged in manufacturing of carton boxes.

AAEPL is engaged in manufacturing of hosiery garments with majority of exports to the countries like USA, Canada and Malaysia. The total installed capacity of the manufacturing unit located in Uthukuli, Tamil Nadu is 84.24 lakh pieces per year. The majority of the sales of the company are made to the retail chains like 'The Children's Place' of USA and to Switzerland's largest retail company 'Migros'. The export orders are received as per seasonal demand in the market. Furthermore, the major raw material i.e. yarns and fabric is procured from the companies based out in various locations of Southern and Northern India.

The company has achieved total operating income of Rs. 108.99 crore with profit after tax of Rs. 2.93 crore in FY18 as against total operating income of Rs. 94.70 crore with profit after tax of Rs. 7.67 crore in FY17.

Brief Financials (Rs. crore)	FY17 (A)	FY18 (A)
Total operating income	94.70	108.99
PBILDT	18.50	11.76
PAT	7.67	2.93
Overall gearing (times)	0.55	0.54
Interest coverage (times)	18.13	6.00

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History (Last three years): Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	Sep-2022	10.50	CARE BB+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Fund-based - LT-Term Loan	-	-	Mar-2022	1.29	CARE BB+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Fund-based - LT-Term Loan	-	-	Mar-2022	2.69	CARE BB+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	Mar-2022	0.44	CARE BB+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Fund-based - LT-Packing Credit in Foregin Currency	-	-	-	13.00	CARE BB+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information

**Issuer did not cooperate: based on best available information*

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Term Loan	LT	10.50	CARE BB+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (31-Mar-18) 2)CARE BBB-; Stable (11-May-17)	-
2.	Fund-based - LT-Term Loan	LT	1.29	CARE BB+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (31-Mar-18) 2)CARE BBB-; Stable (11-May-17)	-
3.	Fund-based - LT-Term Loan	LT	2.69	CARE BB+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (31-Mar-18) 2)CARE BBB-; Stable (11-May-17)	-
4.	Fund-based - LT-Term Loan	LT	0.44	CARE BB+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (31-Mar-18) 2)CARE BBB-; Stable (11-May-17)	-
5.	Fund-based - LT-Packing Credit in Foregin Currency	LT	13.00	CARE BB+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available	-	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (31-Mar-18) 2)CARE BBB-; Stable	-

				information			(11-May-17)	

**Issuer did not cooperate: based on best available information*

***Note on complexity levels of the rated instrument**: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications*

Contact us

Media Contact
Mradul Mishra
Contact no. – +91-22-6837 4424
Email ID – mradul.mishra@careratings.com

Analyst Contact
Mr. Manish Kumar
Contact no: 040-67937415
Email: manish.kumar@careratings.com

Business Development Contact
Ms. Uma Sellamuthu
Contact no: +044 – 2850 1025
E-mail: uma.s@careratings.com
CIN - L67190MH1993PLC071691

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over nearly two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporate to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

****For detailed Rationale Report and subscription information, please contact us at** www.careratings.com

Golden Mandhir Retail Private Limited
July 16, 2019

Rating

Facilities	Amount (Rs. crore)	Ratings[9]	Rating Action
Long -term Bank Facilities	36.08	**CARE B; Stable; Issuer not cooperating* (Single B; Outlook : Stable; Issuer not cooperating)**	**Issuer not co-operating Revised from CARE B+; Stable Issuer not co-operating (Single B Plus; Outlook Stable Issuer not co-operating) based on best available information**
Total Facilities	**36.08 (Rupees thirty six crore and eight lakh only)**		

Details of instruments/facilities in Annexure

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated April 04, 2018, placed the rating(s) of Golden Mandhir Retail Private Limited (GMRPL) under the 'issuer non-cooperating' category as GMRPL had failed to provide information for monitoring of the rating. GMRPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and email dated June 19, 2019, June 24, 2019, June 27, 2019, July 01, 2019 and July 04, 2019 In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating.

Detailed description of the key rating drivers

The ratings assigned to the bank facilities of Golden Mandhir Retail Private Limited (GMRPL) continues to be constrained by Limited negotiation capabilities with strong principals and working capital intensive nature of operations. The rating also takes into account continues net cash losses, deterioration in capital structure and increase in total operating income. The ratings are underpinned by long experience of promoters and operational track record of the business.
Going forward, the company's ability to increase its scale of operations along with profit margins, improve its capital structure and debt coverage indicators while improving its working capital requirements effectively would be the key rating sensitivities.

Key Rating Weakness

Continues net cash losses

The company has incurred net cash losses during FY17 & FY18 due to increased high financial expenses and increased depreciation provisions.

Limited negotiation capabilities with strong principals

GMPL is the authorized dealer for Hyundai and operates exclusive Raymond showroom. Both the principals have significant brand recall and hence strong presence in their respective businesses. While the fortunes of GMPL are tied to that of the principals, it has very limited negotiation capability with them owing to sheer size. Purchase from Hyundai is primarily against cash. GMPL enjoys a credit period upto 30 days from Raymonds. However, if the payment is made within 7 days, the company is eligible for a cash discount of 2% which resulted in low average creditors' period of 5 days in FY16.

Deterioration in capital structure

The capital structure marked by overall gearing ratio deteriorated from 7.56x as on March 31, 2017 to 8.96x as on March 31, 2018 due to decline in net worth on the back of net losses incurred.

Key Rating Strengths

Long experience of the promoters and operational track record of the business

Mr R Padmanabhan (60 years), Managing Director of GMPL, has a vast experience more than 3 decades. Presently, Mr R Padmanabhan looks after the day-to-day activities of the textile division. Mr P Gokula Krishnan (34 years), S/o Mr R Padmanabhan, joined his father's business in 2005, after completing his MBA in marketing and logistics from Cardiff University, UK. The day-to-day activities pertaining to automobiles division are managed by Mr P Gokula Krishnan.

Increase in total operating income

The total operating income of the company has increased from Rs.128.35 crore in FY17 to Rs.162.83 crore in FY18.

Analytical Approach: Standalone

---

[1]*Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications*
Issuer didn't cooperate; based on best available information

Applicable Criteria
[Policy in respect of Non-cooperation by issuer]
[Criteria on assigning Outlook to Credit Ratings]
[CARE's Policy on Default Recognition]
[Financial ratios – Non-Financial Sector]
[Rating Methodology – Manufacturing Companies]

About the Company
Golden Mandhir Retail Private Limited (GMPL) is engaged in the retail business. It owns and operates Raymond and Hyundai showrooms. The promoters of GMPL, Mr R Padmanabhan, Mr P Gokula Krishnan and Mr Chindamani, were engaged in the textile showroom business under various names [Golden Mandhir (established in 1997), Golden Fort (2001 and 2005), Golden Fab (2009), Golden Trendz (2010) and Golden Fashions (2012)] in various cities of Tamilnadu as proprietorship and Partnership firms. Subsequently in 2013, when the promoters decided to open another showroom in Salem, they decided to consolidate the operations of a select set of show rooms under a common flagship company. The promoters had established a private limited company in the name of M.R.Spinning Mills Private Limited (MRS) in 1989, but had not carried out any operations in it. In 2013, MRS was renamed GMPL and it took over the business of Golden Mandhir and Golden Fort. GMPL in July 2014, ventured into automobiles sector and became an exclusive dealer of Hyundai in Salem. Presently, GMPL operates 4 exclusive Raymond showrooms, 2 Hyundai showrooms and a retail outlet in the name of 'Easybuy' (2015) – franchisee of M/s Lifestyle International Private Limited. The day to day activities of GMPL are managed by Mr R Padmanabhan and Mr P Gokula Krishnan.
In FY18, GMRPL reported a net loss of Rs.3.71 crore on a total operating income of Rs.162.83 crore, as against a net loss of of Rs.0.67 crore on a TOI of Rs.128.35 crore respectively in FY17.

Brief Financials (Rs. crore)	FY17 (A)	FY18 (A)
Total operating income	128.35	162.83
PBILDT	2.84	-0.19
PAT	-0.67	-3.71
Overall gearing (times)	7.56	8.96
Interest coverage (times)	0.91	-0.03

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History (Last three years): Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Bank Overdraft	-	-	-	7.85	CARE B; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE B+; Stable; ISSUER NOT COOPERATING* on the basis of best available information
Fund-based - LT-Electronic Dealer Financing Scheme	-	-	-	17.70	CARE B; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE B+; Stable; ISSUER NOT COOPERATING* on the basis of best available information
Fund-based - LT-Electronic Dealer Financing Scheme	-	-	-	1.40	CARE B; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Revised

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
					from CARE B+; Stable; ISSUER NOT COOPERATING* on the basis of best available information

**Issuer did not cooperate: based on best available information*

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Term Loan	LT	9.13	CARE B+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE BB; Stable on the basis of best available information	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (04-Apr-18)	1)CARE BB; Stable (24-Apr-17)	1)CARE BB; Stable (14-Feb-17)
2.	Fund-based - LT-Bank Overdraft	LT	7.85	CARE B; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE B+; Stable; ISSUER NOT COOPERATING* on the basis of best available information	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (04-Apr-18)	1)CARE BB; Stable (24-Apr-17)	1)CARE BB; Stable (14-Feb-17)
3.	Fund-based - LT-Electronic Dealer Financing Scheme	LT	17.70	CARE B; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE B+; Stable; ISSUER NOT COOPERATING* on the basis of best available information	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (04-Apr-18)	1)CARE BB; Stable (24-Apr-17)	1)CARE BB; Stable (14-Feb-17)
4.	Fund-based - LT-Electronic Dealer Financing Scheme	LT	1.40	CARE B; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE B+; Stable; ISSUER NOT	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (04-Apr-18)	1)CARE BB; Stable (24-Apr-17)	1)CARE BB; Stable (14-Feb-17)

				COOPERATING* on the basis of best available information				

*Issuer did not cooperate: based on best available information

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications*

Contact us

Media Contact
Mradul Mishra
Contact no. – +91-22-6837 4424
Email ID – mradul.mishra@careratings.com

Analyst Contact
Mr. Manish Kumar
Contact no: 040-67937415
Email: manish.kumar@careratings.com

Business Development Contact
Ms. Uma Sellamuthu
Contact no: +044 – 2850 1025
E-mail: uma.s@careratings.com
CIN - L67190MH1993PLC071691

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over nearly two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporate to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

SSV Spinners Private Limited
JULY 16, 2019

Rating

Facilities	**Amount (Rs. crore)**	**Rating[10]**	**Rating Action**
Long term Bank Facilities	-	-	Withdrawn
Total	**-**		

Details of facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the outstanding ratings of CARE B+; Stable; Issuer not Cooperating, assigned to the bank facilities of SSV Spinners Private Limited with immediate effect. The above action has been taken at the request of SSV Spinners Private Limited and 'No Objection Certificate' received from the bank that has extended the facilities rated by CARE.

Analytical approach: Not Applicable

Applicable Criteria

Policy on Withdrawal of ratings

About the Company

SSV Spinners Private Limited (SSV) was incorporated by Mr. Venkateswara Rao (Director) and Ms. Subhashini (Director) in February 2011. The company is engaged in spinning mill business with installed capacity of 19,584 spindles per annum. The company has commenced its full-fledged business operations from February 2014 at its unit located at Mahabubnagar District, Telangana.

Brief Financials (Rs. crore)	**FY17 (A)**	**FY18 (A)**
Total operating income	85.05	65.77
PBILDT	6.31	5.79
PAT	0.86	0.40
Overall gearing (times)	1.97	1.73
Interest coverage (times)	1.82	2.00

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	**Date of Issuance**	**Coupon Rate**	**Maturity Date**	**Size of the Issue (Rs. crore)**	**Rating assigned along with Rating Outlook**
Fund-based - LT-Term Loan	-	-	-	0.00	Withdrawn
Fund-based - LT-Cash Credit	-	-	-	0.00	Withdrawn

[1]*Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications*

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Term Loan	LT	-	-	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (29-Mar-18)	1)CARE B+; Stable (23-Mar-17) 2)CARE B+; Stable (30-Jan-17)
2.	Fund-based - LT-Cash Credit	LT	-	-	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (29-Mar-18)	1)CARE B+; Stable (23-Mar-17) 2)CARE B+; Stable (30-Jan-17)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Contact us

Media Contact
Mradul Mishra
Contact no. – +91-22-6837 4424
Email ID – mradul.mishra@careratings.com

Analyst Contact
Mr. Manish Kumar
Contact no: 040-67937415
Email: manish.kumar@careratings.com

Business Development Contact
Mr. Aakash Jain
Contact no: +91-20- 4000 9000
E-mail: aakash.jain@careratings.com

CIN - L67190MH1993PLC071691

About CARE Ratings:
CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an *External Credit Assessment Institution (ECAI)* by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

****For detailed Rationale Report and subscription information, please contact us at** www.careratings.com

Toolfab Engineering Industries Private Limited
July 16, 2019

Rating

Facilities	Amount (Rs. crore)	Ratings[11]	Rating Action
Long -term Bank Facilities	19.92	**CARE BB-; Stable; Issuer not cooperating* (Double B Minus; Outlook Stable; Issuer not cooperating)**	**Issuer not co-operating based on best available information**
Total Facilities	**19.92 (Rupees nineteen crore and ninety two lakh only)**		

Details of instruments/facilities in Annexure

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated April 04, 2018, placed the rating(s) of Toolfab Engineering Industries Private Limited (TEIPL) under the 'issuer non-cooperating' category as TEIPL had failed to provide information for monitoring of the rating. TEIPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and email dated June 19, 2019, June 24, 2019, June 27, 2019, July 01, 2019 and July 04, 2019 In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating.

Detailed description of the key rating drivers

The ratings assigned to the bank facilities of Toolfab Engineering Industries Private Limited (TEIPL) continues to be constrained by highly fragmented and competitive nature of industry with working capital intensive nature of operations. However, the rating also takes into account the decline in total operating income and deterioration in interest coverage ratio, improvement in profitability margins and improvement in capital structure and debt coverage indicators. The ratings are underpinned by established track record of the company for more than three decades in the engineering industry withy experienced promoters.

Going forward, the company's ability to increase its scale of operations along with profit margins, improve its capital structure and debt coverage indicators while improving its working capital requirements effectively would be the key rating sensitivities.

Key Rating Weakness

Decline in total operating income

The total operating income of the company declined from Rs.59.74 crore in FY17 to Rs.49.57 crore in FY18

Working capital intensive nature of operations

The operating cycle of the company stood 57 days in FY18 as against 54 days in FY17 at the back of increase in average creditor days from 80 day in FY17 to 115 days in FY18.

Highly fragmented and competitive nature of industry

The industry in which TEIPL operates is highly fragmented with a large number of small to medium scale unorganized players. The competition leads the companies to restrict their quotation prices or narrow down capacity utilization, thereby leading to decline in profitability.

Exposure to customer and geographical concentration risks: TEIPL's revenues are skewed towards few top customers in the wind power sector. However, Dependence on a few clients has declined in FY17. Furthermore, all the customers are located in Tamil Nadu region resulting into geographical concentration risk.

---

[1]*Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications*
Issuer didn't cooperate; based on best available information

<u>**Key Rating Strengths**</u>

Established track record of the company for more than three decades in the engineering industry with experienced promoters

The company has more than three decades of industry experience and the promoters of the company are associated with TEIPL since acquisition and are all well experienced in this line of business.

Improvement in profitability margins

The PBILDT margin increased from 15.22% in FY17 to 17.94% in FY18. The PAT margin also increased from 6.84% in FY17 to 6.97% in FY18.

Improvement in capital structure and debt coverage indicators although deterioration in interest coverage ratio

The overall gearing ratio improved from 0.56x as on March 31, 2017 to 0.36x as on March 31, 2018 on the back decrease in total debt levels on account of repayment of term loan installments and unsecured loans coupled with less utilization of its working capital facility amount. The total debt/GCA improved from 2.15x in FY17 to 1.62x in FY18 on the back of decrease in total debt levels. Moreover, the Interest coverage ratio has deteriorated from 4.84x in FY17 to 4.71x in FY18 on the back of decrease in PBILDT levels.

Analytical Approach: Standalone

Applicable Criteria

Policy in respect of Non-cooperation by issuer
Criteria on assigning Outlook to Credit Ratings
CARE's Policy on Default Recognition
Financial ratios – Non-Financial Sector
Rating Methodology – Manufacturing Companies

About the Company

Established in 1972 at Trichy, Tamil Nadu as a partnership firm, Toolfab Engineering Industries Private Limited (TEIPL) was acquired by Mr. Madan Mohan in 1995 and was reconstituted as a private limited company in 2004. TEIPL, an ISO 9001:2008 certified company, undertakes engineering and fabrication work for wind mill towers, boiler pressure parts, mining equipments, pre-engineered buildings among others. TEIPL's manufacturing unit is located at Trichy, Tamil Nadu with an installed capacity of 50,000 metric ton per annum.

In FY18, TFEIPL reported a PAT of Rs.3.45 crore on a total operating income of Rs.49.57 crore, as against a PAT and TOI of Rs.4.08 crore and Rs.59.74 crore respectively in FY17.

Brief Financials (Rs. crore)	FY17 (A)	FY18 (A)
Total operating income	59.74	49.57
PBILDT	9.09	8.89
PAT	4.08	3.45
Overall gearing (times)	0.56	0.36
Interest coverage (times)	4.85	4.71

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History (Last three years): Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Bank Overdraft	-	-	-	16.00	CARE BB-; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Fund-based - LT-Bank Overdraft	-	-	-	2.00	CARE BB-; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Fund-based - LT-Bank Overdraft	-	-	-	1.92	CARE BB-; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information

**Issuer did not cooperate: based on best available information*

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Bank Overdraft	LT	16.00	CARE BB-; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (04-Apr-18)	-	1)CARE BB-; Stable (02-Mar-17)
2.	Fund-based - LT-Bank Overdraft	LT	2.00	CARE BB-; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (04-Apr-18)	-	1)CARE BB-; Stable (02-Mar-17)
3.	Fund-based - LT-Bank Overdraft	LT	1.92	CARE BB-; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (04-Apr-18)	-	1)CARE BB-; Stable (02-Mar-17)

**Issuer did not cooperate: based on best available information*

***Note on complexity levels of the rated instrument**: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications*

Contact us

Media Contact
Mradul Mishra
Contact no. – +91-22-6837 4424
Email ID – mradul.mishra@careratings.com

Analyst Contact
Mr. Manish Kumar
Contact no: 040-67937415
Email: manish.kumar@careratings.com

Business Development Contact
Ms. Uma Sellamuthu
Contact no: +044 – 2850 1025
E-mail: uma.s@careratings.com
CIN - L67190MH1993PLC071691

About CARE Ratings:
CARE Ratings commenced operations in April 1993 and over nearly two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporate to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

Imperial Distillers & Vintners Private Limited
July 16, 2019

Ratings

Facilities	**Amount (Rs. crore)**	**Ratings**[1,2]	**Rating Action**
Long-term Bank Facilities	8.45	**CARE BB; Stable (Double B; Outlook: Stable)**	**Assigned**
Total facilities	**8.45 (Rs. Eight crore and Forty Five lakh only)**		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The ratings assigned to the bank facilities of Imperial Distillers & Vintners Private Limited (IDVPL) is constrained primarily on the account of the modest scale of operations, low capitalisation and moderate profitability margins. The rating is further constrained by the customer concentration risk and the presence of the company in a highly fragmented and regulated alcoholic beverage industry.

The rating however, derives strength from the qualified and extensive experience of the promoters in the industry, a well-established customer base and its moderate order book position. The ratings also take into account the comfortable solvency position and moderate liquidity position.

The ability of IDVPL to further increase its scale of operations, improve profitability, maintaining the solvency indications, while continuing to manage working capital efficiently remain the key rating sensitivities.

Detailed description of the key rating drivers

Key Rating Weakness

Modest scale of operations

The total operating income of the company has seen a CAGR of approximately 8% in the last three years ended FY19 (Provisional; refers to a period from April 1 to March 31) with a y-o-y growth of 25% to Rs.44.30 crore in FY19 (as compared to Rs.37.23 crore in FY17). However, despite the growth, scale of operations is modest with low capitalisation. The tangible net worth of the company stood at Rs.4.90 crore as on March 31, 2019. The modest scale of operations limits the financial flexibility of the company in the time of financial stress.

Customer concentration risk

IDVPL over the last decade has successfully catered to a reputed clientele which include private entities and government players. The company in the last three years has catered to Telangana State, Karnataka State, Odisha and Andhra Pradesh State Beverage Corporations. However, the customer profile remains concentrated with the top 5 customers contributing to approximately 78% of total operating income in FY19 and 75% in FY18.

Moderate profitability margins

The profitability margins of the company remained marginally declined in FY19 on account of change in the product mix and rates. However, despite the same profitability remains moderate with a PBILDT margin of 3.96% (P.Y: 4.45%) and PAT margin of 3.93% (P.Y: 2.22%) in FY19. The same is dependent on tenders floated by various state governments; however the PBILDT margin has been in a narrow range of 3.50% - 5.50% during the last three financial years.

Intense competition and exposure to regulatory risk inherent in the industry

The liquor industry in India is heavily regulated by the government with high taxation making the industry dynamics complex. The state governments levy various duties like excise duty, sales tax, license fee, state-level import and export duty, bottling fee, welfare levy, assessment fee, franchise fee, turnover tax, surcharge, etc. Furthermore, there is a ban on all forms of direct and indirect advertising for liquor in the country, leading to market players resorting to surrogate advertising. Furthermore, states may individually decide to impose prohibition on the sale of alcoholic beverages, including liquor.

[1] *Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications*

Key Rating Strengths

Well qualified and experienced promoters

The key promoter of the company is Dr.Mohan Krishna is a Liquor Marketing Doctorate with a PhD in Business Management and over 25 years of experience in sales, marketing and business strategy. He is supported by Mr Ashwin Balivada who has an MBA degree from Cambridge University and has an experience of about one decade in the industry. Mr Ashwin is responsible for the finance and sales division. Further, Ms Anuradha Balivada has an experience of 12 years and is responsible for the production division. Being in the industry for so long has helped the promoters in gaining adequate acumen about the business and industry.

Moderate order book position

The company currently is mainly providing to government entities and has confirmed orders from various state governments for supply of approximately 40 lakh proof litres. The same is to be executed over the next 12 – 15 months. The order book provides reasonable revenue visibility for the next year. The timely execution of these orders and timely receipt of payments would be critical for maintaining adequate cash flows.

Comfortable solvency position

The capital structure of the company is comfortable with debt mainly in the form of unsecured loans from the promoters. Further, the tangible net-worth stood at Rs.4.90 crore as on March 31, 2019 (Provisional), including Rs.2.16 crore of subordinated debt. The same has resulted in an overall gearing ratio of 0.28x (as compared to 1.27x as on March 31, 2019). The company has proposed to avail a term loan of Rs.1.2 crore and working capital borrowings with a limit of Rs.7.25 crore. The term loans will be availed for the purchase of machinery to enhance the capacity of the unit.

Moderate liquidity position

The liquidity position of the company is moderate. The operating cycle is reflected by a gross current asset days of 55 days in FY19 (as compared to 57 days in FY18). The company offers a credit period of around 60 days to its customers and receives similar credit period from its suppliers. The working capital requirement is currently managed with internal accruals, credit offered by suppliers and unsecured loans pumped in by the promoters. The extensive experience and long standing relationship of the promoters enables the company to execute orders in a planned manner, keeping the liquidity scenario under control. Moreover, current ratio was stable in the last three year and stood at a comfortable level of 3.51x as on March 31, 2019

Analytical Approach: Standalone

Applicable Criteria

[Criteria on assigning Outlook to Credit Ratings]

[CARE's Policy on Default Recognition]

[CARE's Methodology for Manufacturing Companies]

[Financial ratios (Non-Financial Sector)]

About the Company

Imperial Distillers & Vintners Private Limited (IDVPL) was incorporated in the year 2009 and is engaged the business of blending and bottling of Indian made foreign liquor (IMFL). The product range includes a wide portfolio of wines, whiskey, spirits and ready to drink beverages. The promoters have registered approximately 244 patents for the blending formula and bottle design. The major brands of the company include Montage, The Labrodog, McGlen, Three Monkeys Whiskey, amongst others. The unit of the company is located in Kundaim district of Goa and has a total installed capacity of 7 lakh cases of 9 litres each per annum

Brief Financials (Rs. crore)	FY18 (A)	FY19 (Prov.)
Total operating income	35.37	44.30
PBILDT	1.58	1.75
PAT	0.79	1.74
Overall gearing (times)	1.27	0.28
Interest coverage (times)	4.02	NA

(A: Audited)

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Proposed fund based limits	-	-	-	8.45	CARE BB; Stable

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Proposed fund based limits	LT	8.45	CARE BB; Stable	-	-	-	-

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

Contact us

Media Contact
Name: Mr. Mradul Mishra
Contact no.: +91-22-6837 4424
Email ID: mradul.mishra@careratings.com

Analyst Contact
Group Head Name: Ms. PrateecheeMisra
Group Head Contact no.:020-40009026
Group Head Email ID:prateechee.misra@careratings.com

Business Development Contact
Name:Mr.Rahul Nigam
Contact no.: 020-40009051
Email ID:rahul.nigam@careratings.com

About CARE Ratings:
CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.
In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Raja Poultry Farm
July 16, 2019

Rating

Facilities	**Amount (Rs. Crore)**	**Rating[13]**	**Rating Action**
Long-term Bank Facilities	12.00	**CARE B+; Stable; ISSUER NOT COOPERATING (Single B Plus; Outlook: Stable; Issuer Not Cooperating)**	**Issuer Not Cooperating Revised from CARE BB-; Stable (Double B Minus; Outlook: Stable; Issuer Not Cooperating) Based on best available information**
Total Facilities	**12.00 (Rupees Twelve Crore Only)**		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has been seeking no default statement from Raja Poultry Farm to monitor the ratings vide e-mail communications dated May 22, 2019, May 24, 2019 and June 13, 2019 and numerous phone calls. However, despite our repeated requests, the firm has not provided no default statement for monitoring the ratings. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating. The ratings on Raja Poultry Farm bank facilities will now be denoted as **CARE B+; Stable; ISSUER NOT COOPERATING***

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above ratings.

For detail strengths and weakness considered during last review please refer to our press release published on June 29, 2018.

Applicable Criteria

Policy in respect of Non-cooperation by issuer
Criteria on assigning Outlook to Credit ratings
CARE's Policy on Default Recognition
Financial ratios – Non-Financial Sector
Rating Methodology-Manufacturing Companies

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

[1]*Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications*

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	January 2032	4.94	CARE B+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE BB-; Stable on the basis of best available information
Fund-based - LT-Cash Credit	-	-	-	7.06	CARE B+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE BB-; Stable on the basis of best available information

**on the basis of best available information*

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Term Loan	LT	4.94	CARE B+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE BB-; Stable on the basis of best available information	-	1)CARE BB-; Stable (29-Jun-18)	-	-
2.	Fund-based - LT-Cash Credit	LT	7.06	CARE B+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE BB-; Stable on the basis of best available information	-	1)CARE BB-; Stable (29-Jun-18)	-	-

**on the basis of best available information*

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

Contact us

Media Contact
Mradul Mishra
Contact no. – +91-22-6837 4424
Email ID – mradul.mishra@careratings.com

Analyst Contact
Group Head Name - Mr Manish Kumar
Group Head Contact no.- 040-67937415
Group Head Email ID- manish.kumar@careratings.com

Business Development Contact
Name: Mr. Aakash Jain
Contact no.: 020- 40009000
Email ID : aakash.jain@careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

Madhur Timber
July 16, 2019

Rating

Facilities	**Amount (Rs. Crore)**	**Rating[14]**	**Rating Action**
Long-term Bank Facilities	1.50	**CARE B; Stable; ISSUER NOT COOPERATING (Single B; Outlook: Stable; Issuer Not Cooperating)**	**Issuer Not Cooperating Revised from CARE B+; Stable (Single B Plus; Outlook: Stable; Issuer Not Cooperating) Based on best available information**
Short-term Bank Facilities	3.60	**CARE A4; ISSUER NOT COOPERATING (A Four; Issuer Not Cooperating)**	**Issuer Not Cooperating, Based on best available information**
Total Facilities	**5.10 (Rupees Five Crore and Ten Lakhs Only)**		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has been seeking no default statement from Madhur Timber to monitor the ratings vide e-mail communications dated May 22, 2019, May 24, 2019 and June 18, 2019 and numerous phone calls. However, despite our repeated requests, the firm has not provided no default statement for monitoring the ratings. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating. The ratings on Madhur Timber bank facilities will now be denoted as **CARE B; Stable/CARE A4; ISSUER NOT COOPERATING***

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above ratings.

For detail strengths and weakness considered during last review please refer to our press release published on July 05, 2018.

Applicable Criteria

Policy in respect of Non-cooperation by issuer
Criteria on assigning Outlook to Credit ratings
CARE's Policy on Default Recognition
Financial ratios – Non-Financial Sector
Rating Methodology-Manufacturing Companies

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

[1] *Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications*

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	1.50	CARE B; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE B+; Stable on the basis of best available information
Non-fund-based - ST-Letter of credit	-	-	-	3.60	CARE A4; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information

**on the basis of best available information*

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Cash Credit	LT	1.50	CARE B; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE B+; Stable on the basis of best available information	-	1)CARE B+; Stable (05-Jul-18)	-	-
2.	Non-fund-based - ST-Letter of credit	ST	3.60	CARE A4; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE A4 (05-Jul-18)	-	-

**on the basis of best available information*

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

Contact us

Media Contact
Mradul Mishra
Contact no. – +91-22-6837 4424
Email ID – mradul.mishra@careratings.com

Analyst Contact
Group Head Name - Mr Manish Kumar
Group Head Contact no.- 040-67937415
Group Head Email ID- manish.kumar@careratings.com

Business Development Contact
Name: Mr. Aakash Jain
Contact no.: 020- 40009000
Email ID : aakash.jain@careratings.com

About CARE Ratings:
CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

DMI Finance Private Limited
July 16, 2019

Ratings

Facilities	Amount (Rs. crore)	Rating[15]	Rating Action
Non-Convertible Debentures (proposed)	100 **(Rupees One Hundred crore only)**	**CARE AA-; Stable (Double A Minus; Outlook: Stable)**	Assigned

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers
The ratings of assigned to instrument of DMI Finance Pvt Ltd (DFPL; a NBFC-ND-SI) continue to derive comfort from the company's experienced board and management team, comfortable capital structure owing to strong investors in NIS Ganesha who have regularly infused capital in the business. The rating also factors in the secured lending portfolio with adequate security coverage in the Real Estate and Corporate lending segment, risk management systems in place, growth in loan book during FY19 and improving diversification with the growth in consumer loans segment, profitable operations and adequate liquidity.

These rating strengths are, however, offset by the concentration of the loan portfolio in the corporate lending segment, borrower level concentration and increased vulnerability of the wholesale loan book following weakness in the real estate sector and resultant pressure on asset quality profile. The ratings are also constrained on account of low seasoning of the loan book and short track record of operations in the consumer lending segment.

Going forward, the ability of DFPL to scale-up business, diversify its loan book by establishing itself in new business segments viz. Consumer Lending and SME, reduce the share of wholesale loan book while maintaining good asset quality in wholesale as well as the retail segment, improving the profitability profile and maintain comfortable capitalization levels and liquidity profile would be key rating sensitivities.

Detailed description of the key rating drivers
Key Rating Strengths
Experienced board members and management team
DFPL is founded by Mr Yuvraja C. Singh (Former MD Citigroup) and Mr Shivashish Chatterjee (former Co-Head North America Securitized Products Trading, Citigroup). Both the directors have an experience of nearly two decades in the field of mortgage lending and risk management with reputed global investment banks. They look after the overall operations of the company along with a team of senior management team who are experienced professionals in their respective domains.

The overall operations of DFPL are governed by a 8 member Board consisting of 2 promoter directors and 2 nominee directors including Mr. Gaurav Burman (from Burman family-promoter of Dabur India) as Nominee Director for Windy Investments Pvt Ltd and Mr Tamer Amr (former Managing Director of the Lehman Brothers [Swiss Operations] / PSP Swiss Properties joint venture) as Nominee Director for DMI Limited. The Board is chaired by Mr Gurcharan Das (Former MD of Procter & Gamble). The Board also includes Mr. Nipender Kochhar (Former MD of ABN AMRO South East Asia - Consumer clients and commercial clients). DFPL also has Mr Arjun Malhotra (Co-Founder, HCL Group and former CEO and Chairman, Headstrong) and Mr Sanjay Bhattacharyya (Former MD & CEO, State Bank of India) on its advisory board.

Comfortable capitalization and low gearing led by regular capital infusion from the investors
DFPL is held directly and indirectly by NIS Ganesha (an Alternate Asset Manager) to the extent of 11.40% and 76.27% respectively as on Mar-19. The 76.27% holding is through DMI Limited, a Mauritius based Investment Company. DMI Ltd has also taken a majority stake of 95% in DMI Housing Finance Pvt Ltd (DHFPL, earlier a subsidiary of DFPL) in Dec-18 as part of internal shareholding restructuring. The investors have been associated with DFPL since 2008 and have been supporting the company through regular equity infusions. There has been an infusion in equity of Rs.919 crore in

[1]*Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications*

Q3, FY19. Also Compulsorily Convertible Debentures aggregating Rs.351 crore were converted into equity in Q3FY19. DFPL also received nearly Rs.138 crore from sale of its majority stake in DHFPL for Rs.138 crore. DFPL now holds 5% stake in DHFPL as on Mar-19. Consequently, the Net-worth base of DFPL has increased to Rs.2,195 crore as on Mar-19 and adjusted overall gearing (basis the debt including the corporate guarantee extended and accrued interest) has reduced to 0.51x as on Mar-19. Adjusting for the liquid cash and investments from the overall debt, the net gearing of DFPL was 0.24x as on Mar-19. The capital adequacy ratio of DFPL continues to remain comfortable at 65.85% as on March 31, 2019 supported by largely equity capital funded business growth so far. DFPL has further raised additional equity of around 25.01Mn USD i.e. Rs.171 crore in July 2019.

Adequate liquidity position

The liquidity position of DFPL remains favorable on account of the company's lending for average tenor of around 3 years which is primarily funded from net-worth. As per structural liquidity statement dated March 31, 2019, there are positive cumulative mismatches upto 5 years. The cumulative inflows to cumulative outflows of DFPL during the 1 year period were 2.57x, whereas the cumulative inflow of advances to payment of borrowings during 1 year were 1.94x as on Mar-19. As on June-19, DFPL had surplus cash/liquid investments of Rs.170 crore and un-availed sanctioned credit lines of Rs.60 crore.

DMI had outstanding borrowings of Rs.987 crore as on May-19. These borrowings are from domestic banks and financial institutions. Term loans and CC limits from 11 Banks/FIs constituted nearly 41% of its overall borrowings while Non-Convertible Debentures constituted the balance 59% of its borrowings outstanding as on Mar-19.

Large secured lending portfolio; albeit decline in share of secured lending book with the growth in the consumer finance retail loan book

DFPL had an outstanding loan book of Rs.2,455 crore as on Mar-19. Of this 59% pertains to wholesale lending segment (Real Estate loans and Non-RE loans) and balance 41% being retail loans. Wholesale Lending segment is secured with an average collateral cover of over 2 times (Majority of the secured lending portfolio had LTV ratio of up to 50%). The collateral is mainly in the form of property (including land and building) and in form of pledge of shares. As a policy, DFPL enters into transactions where it is the sole lien-holder on the collateral, thereby providing reasonable flexibility in enforcing the security interest in the event of default. The company is incrementally focusing on growing its digital consumer lending book and has entered into partnerships with channel partners providing online platform for sourcing loans. Consequently, the share of secured loans in the overall portfolio has reduced from 91% as on Mar-18 to 59% as on Mar-19.

Loan book growth driven by growth in retail segment

DFPL has seen high growth in its loan book during FY19 by nearly 65% from Rs.1,488 crore as on Mar-18 to Rs.2,455 crore as on Mar-19 as against a moderate growth of 12% during FY18. Incrementally the company is focusing on non-real estate corporate loans as well as consumer loans. DFPL's real estate loan book declined by 8% since Mar-18 to Rs.1,085 crore as on Mar-19 whereas the overall wholesale book has grown by 7% to Rs.1,453 crore as on Mar-19 on the back of increase in Non-RE corporate loans. As against this, the retail book of DFPL has grown to Rs.1,002 crore as on Mar-19 from Rs.133 crore as on Mar-18.

Profitable operations

The overall profitability profile of DFPL remains comfortable. DFPL registered a 54% growth in income to Rs.384 crore during FY19 (PY Rs.249 crore) on the back of the growth in loan book. DFPL reported the overall profits at similar levels with PAT being Rs.75 crore during FY19 (PY Rs.76 crore).

DFPL saw a marginal improvement in NIMs from 9.28% in FY18 to 9.37% in FY19 whereas the operating expenses have increased from 2.22% during FY18 to 4.19% in FY19 (as per INDAS) with the growth in retail portfolio. Consequently, the operating profits of DFPL grew by 18% to Rs.160 crore during FY19 (PY Rs.135 crore). Also, there has been some increase in credit costs to 2.06% in FY19 (as against 0.13% in FY18 as per IGAAP and 1.09% as per INDAS). DFPL has shifted to provisioning basis the Expected credit cost (ECL) upon adoption of INDAS. DFPL consequently has reported a ROTA of 2.91% in FY19 (INDAS) as against 3.81% (IGAAP) and 4.38% (INDAS) in FY18.

Risk management systems in place

DFPL has implemented risk management framework for approving and monitoring its portfolio. The credit committee includes sponsor investor directors Mr Yuvraja C Singh, Mr Shivashish Chatterjee and Mr. Gaurav Burman. The committee members are eminent professionals having more than two decades of experience in real estate lending, credit appraisal and risk management. The company has its in-house credit team looking after the appraisals of the prospective clients in the Real Estate and Corporate lending segment. DMI is largely relying on analytics for its consumer lending operations.

Key Rating Weaknesses

High concentration in real estate sector and customer concentration, however declining trend seen with build-up of retail loan book

DFPL is exposed to concentration risk and inherent risk associated with the real estate sector owing to nearly 59% of its book being wholesale book (RE and Non-RE Corporate exposures). The Top 20 borrowers contributed 41% to the total outstanding loan book and 68% of the wholesale book as on Mar-19. DFPL has been making efforts to de-risk the book by not growing the RE book and taking select exposures in the RE and Corporate segment. Nevertheless, DFPL has a long track record in the Real Estate segment having disbursed loans aggregating over 5000 crore over the last 10 years of operation.

Incrementally company has been focusing on building the retail loan book which primarily consists of small ticket size loans. The retail loan book stood at Rs.1,002 crore as on Mar-19 including Rs.66 crore securitized portfolio acquired which constituted 41% of the overall loan book as on Mar-19 (as against 9% as on Mar-18). With the growth in retail segment, the overall wholesale book exposure has also reduced to 59% of AUM as on Mar-19 as against 91% as on Mar-18. Further growth in the retail segment is likely to further reduce concentration of the loan book.

Increase in vulnerability of wholesale loan book following weakness in real estate sector

GNPA and NNPA of DFPL stood at 2.88% and 1.29% as on March 31, 2019 as per provisioning under INDAS as against 0.15% and 0.03% as on Mar-18 respectively as on March 31, 2018 (as per IGAAP). There has been increase in NPAs and consequent provisions during FY19, due to slippage of 3 accounts into NPA category and delinquencies from retail book. As against GNPA (Stage 3 loans) of Rs.72.57 crore, a provision of Rs.41.16 crore has been made as on Mar-19 in line with the ECL provisioning under INDAS. Additionally, as a resolution strategy, DMI had settled certain stressed loan accounts through taking over of underlying collateral (properties) and consequently had transferred these assets from loan to assets under settlement. There has been recovery of Rs.75 crore from Assets under Settlement (Mar-18 to Jan-19) and write-off of Rs.17 crore of AUS during Q4FY19 which have consequently reduced to Rs.53 crore as on Mar-19 as against Rs.144.5 crore as on Dec-17. DFPL also had security receipts (SRs) of Rs.19.66 crore outstanding as on Mar-19. Consequently, the overall net stressed assets (including NNPA + SRs + Assets under settlement) have reduced during the last 15 months.

Although, NPA ratios of the company are under control and there has been recovery from assets under settlement, the vulnerability of its wholesale loan book remains relatively high following weakness in real estate sector. DFPL's ability to control additional slippages in its portfolio from the softer delinquent accounts and recover from the balance assets under settlement would be critical for it to maintain its asset quality profile and would be a key rating sensitivity.

Short track record in consumer lending segment and asset quality trend yet to be established

The Company has entered into new business segments of retail consumer finance and SME lending through Fintech platforms with majority of the book being built in the last 12 months. Also, the retail loan book being recently originated is yet to fully season and thus the ability of DFPL to maintain asset quality is yet to be seen. The delinquencies in the retail lending segment as reflected by PAR 90, was 0.81% as on March 31, 2019. Given, the short track record in these segments, the ability of the company to profitably scale up the new businesses, while maintaining asset quality in these segments would be crucial.

Analytical approach: Standalone

Applicable Criteria

Criteria on assigning Outlook to Credit Ratings
CARE's Policy on Default Recognition
Rating Methodology for Non-Banking Financial Companies
Financial Sector Ratios

About the Company
DFPL, established in year 2008, is a private financial services company registered with the Reserve Bank of India (RBI) as a Systematically Important Non-Deposit taking NBFC-loan company. NIS Ganesha, holds a majority holding in DFPL as on March 31, 2019, through its direct holding of 11.40% and indirect holding of 76.27% stake through DMI Ltd, a Mauritius based investment company.
DFPL is primarily engaged in secured lending business to small and medium-sized companies. The company offers corporate and consumer loans. It started its operations in May 2009 and as on March 31, 2019, company had an outstanding loan portfolio of Rs.2,455 crore.

Brief Financials (Rs. crore)	FY8 (A)	FY18 (A)	FY19 (A)
	IGAAP	INDAS	INDAS
Total operating income	246.28	248.89	384.10
PAT	65.97	75.67	75.33
Interest coverage (times)	2.03	2.54	2.39
Total Assets	1903.79	1,897	3,275
Net NPA (%)	0.03	NA	1.29
ROTA (%)	3.81	4.38	2.91

A: Audited; NA: Not Available

Status of non-cooperation with previous CRA: Not Applicable
Any other information: Not Applicable
Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Long Term Debentures (Proposed)	-	-	-	-	-	CARE AA-; Stable

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings				Rating history		
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based-Long Term	LT	900.00	CARE AA-; Stable	1)CARE AA-; Stable (05-Apr-19)	-	1)CARE AA-; Stable (14-Mar-18) 2)CARE AA-; Stable (02-May-17)	-
2.	Debentures-Non Convertible Debentures	LT	500.00	CARE AA-; Stable	1)CARE AA-; Stable (05-Apr-19)	-	1)CARE AA-; Stable (14-Mar-18)	-
3.	Debentures-Non Convertible Debentures	LT	100.00	CARE AA-; Stable	-	-	-	-

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

Contact us

Media Contact
Mr. Mradul Mishra
Contact no. – +91-22-6837 4424
Email ID – mradul.mishra@careratings.com

Analyst Contact
Mr. Gaurav Dixit
Contact no.- +91-11-45333235 (Tel); 09717070079 (Cell)
Email ID- gaurav.dixit@careratings.com

Business Development Contact
Ms. Swati Agrawal
Contact no.: +91-11-45333200 (Tel), 9811745677 (Cell)
Email ID: swati.agrawal@careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

Bravo Agencies Private Limited
July 16, 2019

Rating

Facilities/Instruments	**Amount (Rs.Crore)**	**Rating[1]**	**Rating Action**
Long Term Bank Facilities	7.50	**CARE D; ISSUER NOT COOPERATING* [CARE D; ISSUER NOT COOPERATING]**	Issuer not cooperating; Based on best available information
Short Term Bank Facilities	7.50	**CARE D; ISSUER NOT COOPERATING* [CARE D; ISSUER NOT COOPERATING]**	Issuer not cooperating; Based on best available information
Total Facilities	**15.00 (Rs. Fifteen crore only)**		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has been seeking information from Bravo Agencies Private Limited, to monitor the rating(s) vide e-mail communications/ letters dated June 21, 2019 and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In-line with the SEBI guidelines, CARE has reviewed the rating on the basis of publicly available information which however, in care's opinion is not sufficient to arrive at fair rating. Furthermore, Bravo Agencies Private Limited has not paid the surveillance fees for the rating exercise as agreed to in its rating agreement. The ratings of Bravo Agencies Private Limited will now be denoted as **CARE D; ISSUER NOT COOPERATING**. The ratings have been reaffirmed on account of no information available.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating.

The rating has been reaffirmed by taking into account non-availability of information due to non-cooperation by Bravo Agencies Private Limited with CARE's efforts to undertake a review of the rating outstanding. CARE views information availability risk as a key factor in its assessment of credit risk.

Detailed description of the key rating drivers

At the time of last rating on March 20, 2018, the following were the rating weakness:

The rating has been reaffirmed on account of ongoing delays in debt servicing due to stretched liquidity position.

Analytical approach: Standalone

Applicable Criteria

Policy in respect of Non-cooperation by issuer
Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings
CARE's methodology for manufacturing companies
Financial ratios – Non-Financial Sector
CARE's Policy on Default Recognition

About the Company

Delhi-based BAPL was incorporated in April 1995. The company is currently promoted by Mr Balwant Jain and Mr Pawan Mittal. BAPL is engaged trading of flat rolled steels like cold rolled steel, hot rolled steel, electrical steel, tin mill products, etc. The warehouses are located at Mundka, Delhi. The company procures steel from various mills throughout the country. The company undertakes only domestic sales wherein it sells the product to various other equipment manufacturers and traders of steel.

Status of non-cooperation with previous CRA – Not Applicable

Any other information – Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	7.50	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Non-fund-based - ST-Letter of credit	-	-	-	7.50	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Cash Credit	LT	7.50	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	-	1)CARE D; ISSUER NOT COOPERATING* (26-Mar-18)	1)CARE D (16-Mar-17) 2)CARE BB- (07-Apr-16)
2.	Non-fund-based - ST-Letter of credit	ST	7.50	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	-	1)CARE D; ISSUER NOT COOPERATING* (26-Mar-18)	1)CARE D (16-Mar-17) 2)CARE A4 (07-Apr-16)

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

Contact us

Media Contact
Mradul Mishra
Contact no.: +91-22-6837 4424
Email ID: mradul.mishra@careratings.com

Analyst Contact
Name: Mr. Amit Jindal
Contact no.: +91- 11-4533 3228
Email ID: amit.jindal@careratings.com

Business Development Contact
Name: Ms. Swati Agrawal
Contact no.: +91-11-4533 3200
Email ID: swati.agrawal@careratings.com

About CARE Ratings:
CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**