

Press Release

**Tamra Dhatu Udyog Private Limited**

November 25, 2019

**Ratings**

Instrument / Facility	Amount (Rs. Crore)	Ratings	Rating Action
Long Term Bank Facilities – Term Loan	33.84	IVR BB/Negative; ISSUER NOT COOPERATING* (IVR Double B with Negative outlook; Issuer Not Cooperating category)	Rating revised from IVR BBB+ (IVR Triple B Plus) with Stable Outlook and moved to ISSUER NOT COOPERATING Category
Long Term Bank Facilities – Cash Credit	151.00	IVR BB/Negative; ISSUER NOT COOPERATING* (IVR Double B with Negative outlook; Issuer Not Cooperating category)	Rating revised from IVR BBB+ (IVR Triple B Plus) with Stable Outlook and moved to ISSUER NOT COOPERATING Category
Short Term Bank Facilities – Letter of Credit	213.00	IVR A4;ISSUER NOT COOPERATING* (IVR A Four; Issuer Not Cooperating)	Rating revised from IVR A2 (IVR A Two) and moved to ISSUER NOT COOPERATING Category
Short Term Bank Facilities –Bank Guarantee	50.00	IVR A4;ISSUER NOT COOPERATING* (IVR A Four; Issuer Not Cooperating)	Rating revised from IVR A2 (IVR A Two) and moved to ISSUER NOT COOPERATING Category
<b>Total</b>	<b>447.84</b>		

*\*Issuer did not cooperate; based on best available information*

**Details of Facility are in Annexure 1**

**Detailed Rationale**

The rating downgrade is because of lack of adequate information regarding Tamra Dhatu Udyog Private Limited (TDUPL)'s performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

**Non-cooperation by Issuer**

Infomerics has been regularly following up with the company to provide the required data including FY19 (A) results to monitor its assigned rating to the bank facilities, vide E-mail communications dated November 11, 2019, November 5, 2019, October 25, 2019, and

concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long- term and short term ratings for the bank loan facilities of Tamra Dhatu Pvt. Ltd. aggregating to Rs.447.84 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB/Negative; Issuer Not Co-operating; Based on best available information ((IVR Double B /Negative: Issuer Not Co-operating; Based on best available information) and IVR A4: Issuer Not Co-operating; Based on best available information. (IVR A Four: Issuer Not Co-operating; Based on best available information). Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

## **Analytical Approach & Applicable Criteria**

Financial Ratios & Interpretation – (Non-financial Sector)

Guidelines on what constitutes Non-Cooperation by clients

## **About the Company**

Incorporated in May 2006, Tamra Dhatu Udyog Private Ltd. (TDUPL) was promoted by Mr. Damodar Das Singhee and his son, Mr. Ram Kumar Singhee. TDUPL was initially set-up as a proprietorship firm in 1997. It began as a base metal trader operating in the domestic market and later set-up its own manufacturing facility in March 2012 situated in Bhiwadi, Rajasthan. Another, manufacturing facility of the company is located at Howrah, West Bengal. The company began marketing of household wiring under its own brand "Tamra" since December, 2016.

## **Financials (Standalone)**

**(Rs. Crore)**

<b>For the year ended* / As On</b>	<b>31-03-2018</b>	<b>31-03-2019</b>
	<b>Audited</b>	<b>Provisional</b>
Total Operating Income	1003.29	897.06
EBITDA	64.38	56.18
PAT	16.01	9.94
Total Debt	289.47	235.03
Tangible Net worth	148.49	158.42
EBITDA Margin (%)	6.42	6.26

For the year ended* / As On	31-03-2018	31-03-2019
PAT Margin (%)	1.60	1.11
Overall Gearing Ratio (x)	1.95	1.48

*\*Based on Infomerics classification*

**Status of non-cooperation with previous CRA: Nil**

**Any other information: Nil**

**Rating History for last three years:**

Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2019-20)			Rating History for the past 3 years			
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19	Date(s) & Rating(s) assigned in 2017-18	Date(s) & Rating(s) assigned in 2016-17
1.	Long Term Fund Based Limits – Cash Credit	Long Term	151.00	IVR BB/Negative; ISSUER NOT COOPERATING*	IVR BBB+ / Stable Outlook		-	-
2.	Long Term Fund Based Limits – Term Loan	Long Term	33.84^	IVR BB/Negative; ISSUER NOT COOPERATING*	IVR BBB+ / Stable Outlook		-	-
3.	Short Term Non-Fund Based Limits – Letter of Credit	Short Term	213.00	IVR A4;ISSUER NOT COOPERATING*	IVR A2		-	-
4.	Short Term Non-Fund Based Limits – Bank Guarantee	Short Term	50.00	IVR A4;ISSUER NOT COOPERATING*	IVR A2			

<sup>^</sup>O/S as on March 31, 2019.

\* Issuer did not cooperate; based on best available information

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).

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**About Infomerics:**

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Company's long

experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an ‘as is where is’ basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are 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 us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

## Annexure 1: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Fund Based Limits – Cash Credit	-	-	-	151	IVR BB/Negative; ISSUER NOT COOPERATING*
Long Term Fund Based Limits – Term Loan	-	-	June,2024	33.84 <sup>^</sup>	IVR BB/Negative; ISSUER NOT COOPERATING*
Short Term Non- Fund Based Limits – Letter of Credit	-	-	-	50	IVR A4;ISSUER NOT COOPERATING*
Short Term Non- Fund Based Limits – Bank Guarantee				213	IVR A4;ISSUER NOT COOPERATING*

<sup>^</sup>O/S as on March 31, 2019.

\* Issuer did not cooperate; based on best available information