



Press Release

S M Niryat Private Limited (SMNPL)

July 16, 2024

Ratings:

Instrument / Facility	Amount (INR Crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	85.00	IVR BB+/ Negative; ISSUER NOT COOPERATING * (IVR Double B Plus with Negative Outlook; Issuer Not Cooperating) *	IVR BBB+/ Negative; ISSUER NOT COOPERATING * (IVR Triple B Plus with Negative Outlook; Issuer Not Cooperating) *	Rating downgraded and continued under ISSUER NOT COOPERATING CATEGORY*	Simple
Short Term Bank Facilities	100.00	IVR A4+; ISSUER NOT COOPERATING* (IVR A Four Plus; Issuer Not Cooperating) *	IVR A2; ISSUER NOT COOPERATING * (IVR A Two; Issuer Not Cooperating) *	Rating downgraded and continued under ISSUER NOT COOPERATING CATEGORY*	Simple
Long Term / Short Term Bank Facilities	40.00	IVR BB+/ Negative; ISSUER NOT COOPERATING* / IVR A4+; ISSUER NOT COOPERATING* (IVR Double B Plus with Negative Outlook; Issuer Not Cooperating / IVR A Four Plus; Issuer Not Cooperating) *	IVR BBB+/ Negative; ISSUER NOT COOPERATING * / IVR A2; ISSUER NOT COOPERATING * (IVR Triple B Plus with Negative Outlook; Issuer Not Cooperating / IVR A Two; Issuer Not Cooperating) *	Rating downgraded and continued under ISSUER NOT COOPERATING CATEGORY*	Simple
Total	Rs. 225.00 (Rupees Two Hundred Twenty Five crore only)				

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

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.



Press Release

Detailed Rationale

Infomerics has downgraded the long-term rating and the short-term rating and continued the ratings assigned of SMNPL under ISSUER NOT COOPERATING category due to lack of adequate information available, non-payment of annual surveillance fees and 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.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications July 10, 2024 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted some of 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 ratings for the bank facilities of SMNPL aggregating Rs.225.00 crore has been downgraded and continued the ratings assigned of SMNPL under ISSUER NOT COOPERATING category at IVR BB+/ Negative; ISSUER NOT COOPERATING / IVR A4+; ISSUER NOT COOPERATING category by Infomerics.

Analytical Approach: Standalone

Applicable Criteria:

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Policy on issuer not cooperating](#)

[Rating methodology for Trading Companies](#)

[Criteria of Rating Outlook](#)

[Policy on Default Recognition and Post-Default Curing Period](#)

[Complexity Level of Rated Instruments/Facilities](#)

About the Company



Press Release

SMNPL was started as a partnership firm in 2004 and later converted into a company in 2005 named SM Niryat Private Limited. It used to operate as a goods transport enterprise for minerals such as iron ore – fines, pellets, lumps, manganese and other minerals of various grades, coal etc. The company gradually started import and export of scrap metal. The trading activities are managed from Haldia Port, Vizag Port and Paradeep Port. SMNPL is promoted by Mr. Manish Khemka, who is also the Chairman of the company. Mr. Suraj Kumar Singh is the other director in the company.

Financials (Standalone):

For the year ended/ As on*	(Rs. crore)	
	31-03-2021	31-03-2022
	Audited	Audited
Total Operating Income	4307.93	2019.33
EBITDA	456.53	173.07
PAT	340.67	119.43
Total Debt	106.81	135.94
Tangible Net Worth	460.70	581.23
EBITDA Margin (%)	10.60	8.57
PAT Margin (%)	7.88	5.89
Overall Gearing Ratio (x)	0.23	0.23
Interest Coverage (x)	77.41	21.58

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:



Press Release

S. No	Name of Security/Facilities	Current Rating (Year 2024-25)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
					March 18, 2024	January 19, 2023	April 1, 2021 and March 10, 2022
1.	Cash Credit	Long Term	85.00	IVR BB+/ Negative; Issuer Not Cooperating *	IVR BBB+/ Negative; Issuer Not Cooperating *	IVR A-/ Negative	<ul style="list-style-type: none"> IVR A-/ Negative (March 10, 2022) IVR A-/ Stable (April 1, 2021)
2.	Letter of Credit	Short Term	55.00	IVR A4+; Issuer Not Cooperating *	IVR A2; Issuer Not Cooperating *	IVR A2+	-
3.	Inland Bill Negotiation	Short Term	25.00	IVR A4+; Issuer Not Cooperating *	IVR A2; Issuer Not Cooperating *	IVR A2+	-
4.	Export Packaging Credit	Short Term	15.00	IVR A4+; Issuer Not Cooperating *	IVR A2; Issuer Not Cooperating *	IVR A2+	-
5.	Post Shipment Credit	Short Term	5.00	IVR A4+; Issuer Not Cooperating *	IVR A2; Issuer Not Cooperating *	IVR A2+	-
6.	Proposed cash credit / export packing credit	Long Term / Short Term	40.00	IVR BB+/ Negative; Issuer Not Cooperating * / IVR A4+; Issuer Not Cooperating *	IVR BBB+/ Negative; Issuer Not Cooperating * / IVR A2; Issuer Not Cooperating *	IVR A-/ Negative / IVR A2+	-
7.	Export packing credit	Long Term	-	-	-	-	IVR A-/ Negative (March 10, 2022)
8.	CC/PCFC/E PC	Long Term	-	-	-	-	<ul style="list-style-type: none"> IVR A-/ Negative



Press Release

							(March 10, 2022) • IVR A-/ Negative (February 21, 2022)
9.	PSC	Long Term	-	-	-	-	IVR A-/ Negative (March 10, 2022)
10.	Proposed CC/EPC	Long Term	-	-	-	-	IVR A-/ Negative (March 10, 2022)
11.	Proposed Working capital	Short Term	-	-	-	-	<ul style="list-style-type: none"> • IVR A2+ (March 10, 2022) • IVR A2+ (February 21, 2022) • IVR A2+ (April 1, 2021)
12.	CC/EPC	Long Term	-	-	-	-	IVR A-/ Negative (February 21, 2022)
13.	EPC/PCFC	Long Term	-	-	-	-	IVR A-/ Stable (April 1, 2021)

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

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit



Press Release

ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com

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Annexure 1: Details of Instruments / Facilities

Name of Instruments / Facilities	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	-	85.00	IVR BB+/ Negative; Issuer Not Cooperating *
Letter of Credit	-	-	-	-	55.00	IVR A4+; Issuer Not Cooperating *
Inland Bill Negotiation	-	-	-	-	25.00	IVR A4+; Issuer Not Cooperating *
Export Packaging Credit	-	-	-	-	15.00	IVR A4+; Issuer Not Cooperating *
Post Shipment Credit	-	-	-	-	5.00	IVR A4+; Issuer Not Cooperating *



Press Release

Name of Instruments / Facilities	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
Proposed cash credit / export packing credit	-	-	-	-	40.00	IVR BB+/ Negative; Issuer Not Cooperating * / IVR A4+; Issuer Not Cooperating *

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

Annexure 2: Facility wise lender details: Not Available

Annexure 3: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable

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.