



Press Release

Shri Maa Marketing Private Ltd (SMMPL)

March 18, 2024

Ratings

Instrument / Facility	Amount (Rs. crore)	Ratings	Rating Action	Complexity Indicator
Long Term Fund Based Bank Facilities	54.00	IVR BB / Negative; ISSUER NOT COOPERATING' [IVR Double B with Negative Outlook: ISSUER NOT COOPERATING'	Downgraded and moved to ISSUER NOT COOPERATING category	Simple
Short Term Non-Fund Based Bank Facilities	10.00	IVR A4; ISSUER NOT COOPERATING [IVR A Four: ISSUER NOT COOPERATING']	Downgraded and moved to ISSUER NOT COOPERATING category	Simple
Long Term/Short Term Bank Facilities (Proposed)	5.00	IVR BB / Negative; ISSUER NOT COOPERATING' [IVR Double B with Negative Outlook: ISSUER NOT COOPERATING' IVR A4; ISSUER NOT COOPERATING [IVR A Four: ISSUER NOT COOPERATING']	Downgraded and moved to ISSUER NOT COOPERATING category	Simple
Total	69.00	(Rupees Sixty Nine Crores only)		

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

Details of Facilities are in Annexure 1

Detailed Rationale

Infomerics has downgraded the ratings and moved the bank facilities of SMMPL to ISSUER NOT COOPERATING category due to lack of adequate information available and the uncertainty around its credit risk. Further, the ratings have been migrated to ISSUER NOT COOPERATING' category and outlook has been revised to negative from stable. 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



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are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of SMMPL.

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 dated 2nd Feb 2024, 5th Feb 2024, 19th Feb 2024, 20th Feb 2024, 15th March 2024 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details/information for surveillance exercise. Availability of information is very critical in the 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/ short term ratings of the bank loan facilities aggregating to Rs. 69.00 crore of SMMPL shall be migrated to the 'ISSUER NOT COOPERATING' category by Infomerics and the ratings will be at 'IVR BB; ISSUER NOT COOPERATING' with Negative Outlook & IVR A4; ISSUER NOT COOPERATING'; 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 SMMPL.

Analytical Approach: Standalone

Applicable Criteria:

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Criteria of assigning Rating outlook](#)

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

[Criteria for default recognition](#)

[Rating Methodology for Trading Companies](#)



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About the Company:

Incorporated in 2004, Shri Maa Marketing Private Limited (SMMPL) is a Bhopal-based business that is run by Mr. Ramswarupji Gupta, Mr. Sanjay Seth, and Mr. Kirti Seth. The organization is working as a zonal distributorship for Xiaomi (Mi) and Reliance Jio smartphones. The promoters, including Mr. Ramswarup Gupta, Mr. Sanjay Seth, and Mr. Prashant Gupta, have more than two decades of experience in the retailing of branded goods, and have considerable experience spanning more than two decades. SMMPL has been in the distribution and retail business since its inception. SMMPL served as a distributor for Hindustan Unilever, Airtel, Britannia, Godrej, and Moods between 2004 and 2009. The Shri Maa group was given the chance to distribute Samsung Consumer Durables in 2009, which was followed by the distribution of Samsung Mobiles.

Financials (Standalone):

(Rs. Crore)

For the year ended* / As On	31-03-2022	31-03-2023
	Audited	Audited
Total Operating Income	428.27	435.33
EBITDA	2.60	5.47
PAT	1.75	3.57
Total Debt	11.28	5.11
Tangible Networth (Adjusted)	32.55	36.12
Ratios		
EBITDA Margin (%)	0.61	1.26
PAT Margin (%)	0.41	0.82
Overall Gearing Ratio (X) (Adjusted)	0.35	0.14

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Nil



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Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount (Rs. Crore)	Ratings	Date(s) & Rating(s) assigned in 2022-23 (Jan 18, 2023)	Date(s) & Rating(s) assigned in 2021-22 (Oct 27, 2021)	Date(s) & Rating(s) assigned in 2021-22 (Apr 06, 2021)
1	Cash Credit	Long Term	14.00	IVR BB / Negative; ISSUER NOT COOPERATING	IVR BB+ / Stable	IVR BBB- / Stable	IVR BBB/ Credit Watch with developing Implications
2	Electronic Dealer Finance System (eDFS)	Long Term	6.00	IVR BB / Negative; ISSUER NOT COOPERATING	IVR BB+ / Stable	IVR BBB- / Stable	IVR A3+; Credit Watch with Developing Implication
3	Channel Finance	Long Term	34.00	IVR BB / Negative; ISSUER NOT COOPERATING	IVR BB+ / Stable	IVR BBB- / Stable	-
4	Bank Guarantee	Short Term	10.00	IVR A4; ISSUER NOT COOPERATING	IVR A4+	IVR A3	-
3	Proposed Non Fund based Limit	Long Term & Short Term	5.00	IVR BB / Negative; ISSUER NOT COOPERATING & IVR A4; ISSUER NOT COOPERATING	IVR BB+ / Stable & IVR A4+	-	-

**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 the 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 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.

<p>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 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.</p>
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Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	14.00	IVR BB/Negative; ISSUER NOT COOPERATING
Electronic Dealer Finance System (eDFS)	-	-	-	6.00	IVR BB/Negative; ISSUER NOT COOPERATING
Channel Finance	-	-	-	34.00	IVR BB/Negative; ISSUER NOT COOPERATING
Bank Guarantee	-	-	-	10.00	IVR A4/ ISSUER NOT COOPERATING
Proposed Non-Fund based Limit	-	-	-	5.00	IVR BB/Negative; ISSUER NOT COOPERATING

Annexure 2: List of companies considered for consolidated analysis: Not Applicable.

Annexure 3: Facility wise lender details: Not Applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: 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.