

June 18, 2024

Standard Retail Private Limited: Ratings downgraded; moved to Issuer Non-Cooperating category and withdrawn

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Interchangeable ^{**}	(16.00)	(16.00)	[ICRA]BB (Stable); ISSUER NOT COOPERATING*; rating downgraded from [ICRA]BBB-(Negative), outlook revised to stable from negative; moved to 'Issuer Not Cooperating' Category and withdrawn
Short-term – Interchangeable ^{**}	(50.00)	(50.00)	[ICRA]A4; ISSUER NOT COOPERATING*; rating downgraded from [ICRA]A3; moved to 'Issuer Not Cooperating' Category and withdrawn
Short-term - Non-Fund Based	220.00	220.00	[ICRA]A4; ISSUER NOT COOPERATING*; rating downgraded from [ICRA]A3; moved to 'Issuer Not Cooperating' Category and withdrawn
Long-term/Short-term - Unallocated	30.00	30.00	[ICRA]BB (Stable)/[ICRA]A4; ISSUER NOT COOPERATING*; rating downgraded from [ICRA]BBB-(Negative)/[ICRA]A3, Outlook revised to Stable from Negative; moved to 'Issuer Not Cooperating' Category and withdrawn
Total	250.00	250.00	

*Issuer did not cooperate; based on best available information

[^]Instrument details are provided in Annexure-1; ^{**}sublimit of non-fund-based limits

Rationale

ICRA has moved the ratings for the bank facilities of Standard Retail Private Limited (SRPL) to the 'Issuer Not Cooperating' category where the ratings were downgraded to [ICRA]BB (Stable)/[ICRA]A4 from [ICRA]BBB-(Negative)/[ICRA]A3 and subsequently, ICRA has withdrawn the ratings assigned to the bank facilities of Standard Retail Private Limited at the request of the company and based on the No Objection Certificate received from the bankers, and in accordance with ICRA's policy on withdrawal. ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

As part of its process and in accordance with its rating agreement with Standard Retail Private Limited, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, a rating view has been taken on the entity based on the best available information.

Please refer to the following link for the previous detailed rationale that captures the key rating drivers and their description, liquidity position and rating sensitivities: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Policy In Respect of Non-Cooperation by a Rated Entity Policy on Withdrawal of Credit Rating
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

About the company

SRPL trades in various steel products including colour-coated sheets, pre-painted galvanised iron sheets, pre-painted galvalume steel sheets, hot-rolled coils, cold-rolled coils, tinplate coils, aluminium sheets, wire rods, among others. The company is promoted by Mr. Nikunj Turakhia, who has over 30 years of experience in the metal trading business. SRPL is a part of the Standard Group of Companies and commenced operations in November 2013.

Key financial indicators

SRPL	FY2022	FY2023
Operating income	535.5	314.2
PAT	5.2	2.0
OPBDITA/OI (%)	2.6%	1.7%
PAT/OI (%)	1.0%	0.6%
Total outside liabilities/Tangible net worth (times)	1.3	1.5
Total Debt/OPBDITA (times)	3.1	17.8
Interest coverage (times)	2.1	1.3

Source: Company, ICRA Research; Amount in Rs. crore

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA - Not applicable

Any other information: None

Rating history for past three years

Current Rating (FY2025)					`Chronology of Rating History for the past 3 years				
Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding as of March 31, 2024 (Rs. crore)	Date & Rating in FY2025	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022		
				June 18, 2024	Jun 30, 2023	-	March 03, 2022	April 15, 2021	
1	Fund-Based Interchangeable Limits	Long-term	(16.00)*	-	[ICRA]BB (Stable); ISSUER NOT COOPERATING and withdrawn	[ICRA]BBB- (Negative)	-	[ICRA]BBB -(Stable)	[ICRA]BB + (Stable)
2	Fund-Based Interchangeable Limits	Short-Term	(50.00)*	-	[ICRA]A4; ISSUER NOT COOPERATING and withdrawn	[ICRA]A3	-	[ICRA] A3	[ICRA]A4 +
3	Non-fund Based Letter of Credit	Short-Term	220.00	-	[ICRA]A4; ISSUER NOT COOPERATING and withdrawn	[ICRA]A3	-	[ICRA] A3	[ICRA]A4 +
4	Unallocated Limits	Long-term / Short-Term	30.00	-	[ICRA]BB (Stable)/[ICRA]A4; ISSUER NOT COOPERATING and withdrawn	[ICRA]BBB- (Negative) /[ICRA]A3	-	-	-

*Sub-limit of non-fund-based facility

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term – Fund-based Interchangeable Limits	Simple
Short-term – Fund-based Interchangeable Limits	Simple
Short-term – Non-fund Based Limits	Very Simple
Long-term/Short-term – Unallocated Limits	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure-I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	(16.00)*	[ICRA]BB (Stable); ISSUER NOT COOPERATING and withdrawn
NA	Packing Credit	-	-	-	(50.00)*	[ICRA]A4; ISSUER NOT COOPERATING and withdrawn
NA	Letter of Credit	-	-	-	220.00	[ICRA]A4; ISSUER NOT COOPERATING and withdrawn
NA	Unallocated	-	-	-	30.00	ICRA]BB (Stable)/[ICRA]A4; ISSUER NOT COOPERATING and withdrawn

Source: Company; *Sublimit of letter of credit

Annexure-II: List of entities considered for consolidated analysis: Not Applicable

ANALYST CONTACTS

Girishkumar Kashiram Kadam

+91 22 6114 3441

girishkumar@icraindia.com

Sumit Jhunhunwala

+91 33 7150 1111

sumit.jhunhunwala@icraindia.com

Vikram V

+91 40 4547 4829

vikram.v@icraindia.com

Prerna Aggarwal 1

+91-124-3341380

prerna.aggarwal1@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar

+91 22 6114 3406

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



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