

October 22, 2024

SM LPG Cylinders Private Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	30.00	30.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Non Fund Based-Others	5.00	5.00	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	35.00	35.00	

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

[^]Instrument details are provided in Annexure-I

Rationale

ICRA has kept the Long-Term and Short-Term ratings of SM LPG Cylinders Private Limited in the 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]B+(Stable); ISSUER NOT COOPERATING/[ICRA]A4; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with SM LPG Cylinders Private Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple 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, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, 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	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

SM LPG Cylinders Private Limited – erstwhile S M Cylinders (a unit of S.M. Sugars Private Limited) – is part of the Amba Group, which was co-promoted by Mr. Kamal Goel and Mr. Vijay Kumar Agarwal. The manufacturing of LPG cylinders is undertaken under SM LPG Cylinders Private Limited, which was incorporated in 1999. The company started its commercial production of LPG Cylinders from September 2001. The company has its single manufacturing facility at Greater Noida, Gautam Budh Nagar, Uttar Pradesh.

Key financial indicators:

Standalone	FY 2022 (Rs. In Crore)	FY 2023 (Rs. In Crore)
Operating Income (Rs. crore)	41.99	27.19
PAT (Rs. crore)	0.10	- 0.96
OPBDITA/OI (%)	4.1%	1.0%
PAT/OI (%)	0.2%	- 3.5%
Total Outside Liabilities/Tangible Net Worth (times)	1.75	0.99
Total Debt/OPBDITA (times)	9.59	6.23
Interest Coverage (times)	1.83	0.42

PAT: Profit after Tax; OPBDITA: Operating Profit before Depreciation, Interest, Taxes and Amortization

Source: MCA

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
CRISIL	[CRISIL]B+(Stable)/[CRISIL]A4; ISSUER NOT COOPERATING	September 20, 2023

Any other information: None

Rating history for past three years

	Instrument	Type	Current Rating (FY2025)		Chronology of Rating History for the past 3 years		
			Amount Rated (Rs. Crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022
				22-Oct-2024	18-Aug-2023	17-Jun-2022	28-May-2021
1	Cash Credit	Long Term	30.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING
2	Non Fund Based -Others	Short Term	5.00	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Non Fund Based-Others	Very Simple

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, is available on ICRA's website: [Click Here](#)

Annexure-I: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	30.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Non Fund Based - Others	-	-	-	5.00	[ICRA]A4; ISSUER NOT COOPERATING

Source: SM LPG Cylinders Private Limited

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

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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.

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