

Sturdy Industries Limited

February 27, 2019

Summary of Rated Instrument:

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Term Loans	112.48	112.48	[ICRA]D ISSUER NOT COOPERATING*; Rating moved to the 'Issuer Not Cooperating' category
Fund-based Limits	90.00	90.00	[ICRA]D ISSUER NOT COOPERATING*; Rating moved to the 'Issuer Not Cooperating' category
Non- fund based limits	133.40	133.40	[ICRA]D ISSUER NOT COOPERATING*; Rating moved to the 'Issuer Not Cooperating' category
Unallocated limits	14.12	14.12	[ICRA]D ISSUER NOT COOPERATING*; Rating moved to the 'Issuer Not Cooperating' category
Total	350.00	350.00	

*Issuer did not co-operate; based on best available information.

Rationale

ICRA has moved the ratings for the bank facilities of Sturdy Industries Limited (SIL) to the 'Issuer Not Cooperating' category. The rating is now denoted as "[ICRA]D ISSUER NOT COOPERATING"

The rating takes into account continued delays in debt servicing by the entity as per the lender's feedback. As part of its process and in accordance with its rating agreement with SIL, 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 SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA's Rating Committee has taken a rating view based on the best available information.

Analytical approach

ICRA has applied its rating methodologies/policies as indicated below:

Links to applicable criteria:

[Policy in respect of non-cooperation by the rated entity](#)

About the company:

Incorporated in July 1989, SIL manufactures aluminium cables and conductors along with plastic pipes and drip irrigation systems. The company has three manufacturing facilities at Baddi (Himachal Pradesh), Kamrup (Assam) and Parwanoo (Himachal Pradesh). The company is managed by the Gupta family – Mr. Mohan Lal Gupta, Mr. Ramesh Gupta and Mr. Amit Gupta. SIL's equity shares are listed on the Bombay Stock Exchange.

The previous detailed rating rationale is available on the following link: [Click here](#)

Key financial indicators (audited)

	FY2017	FY2018
Operating Income (Rs. crore)	407.3	218.9
PAT (Rs. crore)	-3.9	-21.5
OPBDIT/OI (%)	3.0%	-13.2%
RoCE (%)	3.0%	-8.1%
Total Debt/TNW (times)	9.15	53.44
Total Debt/OPBDITA (times)	20.01	-8.86
Interest Coverage (times)	1.15	-8.37

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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.

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

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