

Rating Rationale

Brickwork Ratings assigns 'BWR A4+' for Bank Loan Facilities amounting to ₹ 11.50 Cr of Strykar Overseas LLP

Brickwork Ratings has assigned following **Ratings¹** for the Bank Loan Facilities of **Strykar Overseas LLP**. (SOLLP or 'the Company') as follows:

Facility	Limits (₹ Cr)	Tenure	Rating
Fund Based: Bill Discount against Letter Of Credit	11.50	Short Term	BWR A4+ (Pronounced as BWR A Four Plus)
TOTAL	11.50	INR Eleven Crores and Fifty Lakhs	

BWR has principally relied upon Provisional financial results of FY16, Audited financial results of FY15, publicly available information and information/clarifications provided by the management.

The rating draws strength from relevant experience of Partners, established customer and supplier base and availability of many initiatives from government. However, the ratings are constrained by limited history with small scale of operations and high gearing.

Background:

Strykar Overseas LLP is a limited liability partnership incorporated on 23 may, 2014. Its registered office is at 1/A Aditya Bungalows, Nr. Utsav row house, Thaltej, Ahmedabad, Gujarat. The company is engaged in the export of raw cotton, cotton yarn and related commodities across all markets. The company has a team of experienced professionals, quality inspectors and logistics department. The Company purchases the products from different suppliers/open market and directly exports to the overseas market without any process in between.

Financial Performance:

The Company's total operating income is increased to INR 44.72 Crs in FY16 from INR 5.98 Crs in FY15. The company's PAT has been increased to INR 0.21 Crs in FY16 from INR 0.08 Crs in FY15. The company's net profit margin was 0.48% in FY16. Tangible Net Worth stood at INR 0.45 Crs.

Rating Outlook:

The outlook of the company is expected to be stable for the current year. Going forward, the improvement in revenue along with improvement in profitability and efficient working capital

¹ Please refer to www.brickworkratings.com for definition of the Ratings

management will be the key rating sensitivities.

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