

Rating Rationale

Brickwork Ratings assigns ratings for the Bank Loan Facilities aggregating ₹ 15.41 Cr of Super Floorings Pvt. Ltd.

Brickwork Ratings has assigned following **Ratings**¹ for the Bank Loan Facilities of Super Floorings Private Limited. (SFPL or the “**Company**”):-

Issue	Amount Rated	Tenure	Rating Recommended
Fund Based			
Term Loan	4.91	Long Term	BWR B+ (Pronounced as BWR B Plus) Outlook : Stable
Cash Credit	4.00		
Non – Fund Based			
Letter of Credit	6.50	Short Term	BWR A4 (Pronounced as BWR A Four)
Total	15.41	Rupees Fifteen Crores and Forty One Lakhs Only.	

BWR has essentially relied upon audited financial results of Super Floorings Pvt. Ltd. upto FY16 and Projected financial for FY17 & FY18, publicly available information and information provided by the management.

The rating has, inter alia, factored in the experienced management, Stretched liquidity position, moderate debt protection metrics and increase in leverage levels. The company is in the process of setting up of new plant which will help the company to increase its production of Industrial & Commercial Flooring products and cater to the increasing demand of the product in the domestic market. The rating is, however, constrained by Low profitability margins, low Tangible Net Worth and growing competition in the industry.

Background:

The Company, M/s Super Floorings Pvt. Ltd., a closely held company, was incorporated in 1988 by Mr. Ish Anand who is also the Managing Director of the company. The other directors of the company are Mrs. Neeru Anand & Mrs. Rashmi Kapoor, The company was set up with an objective to manufacture and sell PVC Vinyl Sheets, PVC Leather Sheets, PVC

Automotive Products, Sound Insulation sheets, PVC Leather Sheets, Rubber Crumb Flooring and EVA Sheets.

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

Financial Performance:

As per the audited financials for FY16, SFPL's Total Operating Income stood at Rs. 17.06 Cr. in FY16 against Rs. 16.99 Cr. in FY15. Profit after tax for the company stood at Rs. 0.12 Cr. In FY16 against a profit after tax of Rs. 0.11 Cr in FY15. Operating profit margin and net profit margin for the company stood at 7.06% and 0.69% respectively in FY16. ISCR and DSCR for the company stood at 2.31 times and 0.78 times respectively in FY16. Tangible networth for the company stood at Rs. 6.17 Cr. Current ratio for the company stood at 0.86 times in FY16 indicating stretched liquidity position.

Rating Outlook:

The rating outlook is expected to be stable over the current year. Going forward scaling up of business, meeting projections, improving liquidity and ensure timely servicing of debt would be the key rating sensitivities.

Analyst Contact	Relationship Contact
analyst@brickworkratings.com	bd@brickworkratings.com
Phone	Media Contact
1-860-425-2742	media@brickworkratings.com

Disclaimer: Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.