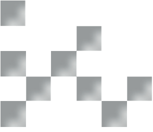
March 2012

Expanding India's Corporate Bond Market

'CRISIL A' Rated Companies - An Emerging Opportunity



About CRISIL Insights:

For over two decades, CRISIL has helped shape the evolution of the debt markets in India, and has added value to market participants in a variety of ways.
'CRISIL Insights' is a knowledge sharing endeavour from CRISIL to

1. Share our analytical insights and thought leadership perspectives: CRISIL continues to focus on developing a strong understanding of the Indian economy, corporate sector, and financial landscape. The knowledge and insights gained in this process are constantly shared with issuers and investors on relevant topics that impact the credit markets.

2. Generate awareness about the rigour followed in our ratings process: As the country's leading ratings agency, CRISIL has always set standards in analytical rigour, disclosures, and best practices in the industry. CRISIL tries to generate familiarity of the market participants with the same.

3. Enhance transparency of our analytical methodology and criteria: To develop confidence of the debt market participants, CRISIL constantly endeavours to highlight the analytical methodology and criteria used in its ratings process.

CRISIL Ratings hopes that you find this research valuable, insightful, and useful. Your comments and queries regarding the issues discussed here are welcome.

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FOREWORD

Over the 25 years of its existence, CRISIL has been focusing on its mission of 'Making Markets Function Better'. Several initiatives have been implemented by CRISIL with the aim of developing Indian debt markets, enhancing transparency in the rating process, and sharing our analytical insights with market participants.

Our efforts in developing debt markets have been driven through two broad areas of activity. Firstly, we have invested in new criteria and product development. CRISIL has been the first to rate almost every new product in the Indian market over the 25 years of its existence. And each time, the new product has helped fulfill an important need in the financial markets.

Secondly, CRISIL has focused its efforts on demystifying credit ratings and rating processes through a variety of initiatives. Several of these like voluntary disclosure of default and transition statistics, public dissemination of rating criteria and assigning complexity levels to capital market instruments have become the industry standard today, reflecting the value that they have brought to the market place.

In our 25th year, CRISIL is launching a new series of events with the focus on 'Expanding India's Corporate Bond Market'. Through this series, CRISIL intends to create an effective forum to foster discussion and debate on various issues that hold the potential to expand the country's bond market.

The first event of the 'Expanding India's Corporate Bond Market' series highlights the emerging opportunities offered by 'CRISIL A'-rated instruments. Our study of 500 'CRISIL A'-rated companies reveals that these companies are an attractive investment opportunity for the following reasons:

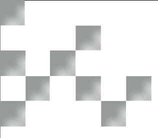
- These entities have maintained good credit quality through economic cycles, and have displayed healthy financial performance with low-default and high-stability rates.
- The risk-adjusted returns on 'CRISIL A'-rated instruments are superior to those offered by instruments in higher-rated categories.

This compendium contains a detailed analysis on the business and financial risk profile of companies in this rating category, besides an evaluation of their default performance. An attached CD also provides a summary of the key credit factors for each of the 500 'CRISIL A'-rated entities.

We hope you will find this compendium useful. We welcome your comments and suggestions on this publication.

Warm Regards,

Ramraj Pai
Director - Ratings



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'CRISIL A' - rated credits offer higher risk-adjusted returns 13
Capital market debt issuances in 'A' category can benefit both investors and issuers: CRISIL

Profile of 'CRISIL A' - rated companies (as on January 31, 2012)

1	A.A. Autotech Pvt. Ltd.	Auto Components and Ancilliary	CRISIL A/Stable/CRISIL A1	1
2	A.V. Thomas & Co. Ltd.	Tea & Coffee	CRISIL A/Stable/CRISIL A1	2
3	Aarti Industries Ltd.	Chemicals - Speciality	CRISIL A+/Stable/CRISIL A1	3
4	Aban Power Company Ltd.	Independent Power Producers & Energy Traders	CRISIL A+/Stable	4
5	ABC Bearings Ltd.	Auto Components and Ancilliary	CRISIL A/Stable/CRISIL A1	5
6	ACB (India) Ltd.	Coal Washery and Beneficiation	CRISIL A+/Stable/CRISIL A1	6
7	Adani Power Ltd	Independent Power Producers & Energy Traders	CRISIL A-/Stable	7
8	Adinath Jewellery Exports	Gems & Jewellery - Diamond Jewellery & Retailing	CRISIL A-/Stable	8
9	Ador Powertron Ltd.	Electrical Components & Equipment	CRISIL A-/Negative/CRISIL A2+	9
10	Advance Steel Tubes Ltd.	Industrial Machinery and Consumables	CRISIL A-/Stable/CRISIL A2+	10
11	Aero Club	Specialty Stores	CRISIL A-/Stable/CRISIL A2+	11
12	Agarwal Coal Corporation Pvt. Ltd.	Traders	CRISIL A/Stable/CRISIL A1	12
13	Agarwal Transport Corporation Pvt. Ltd.	Traders	CRISIL A/Stable/CRISIL A1	13
14	Agro Tech Foods Ltd.	Edible Oil	CRISIL A+/Stable/CRISIL A1+	14
15	Ahmedabad Municipal Corporation	Urban Local Bodies	CCR A+ ; CRISIL A+/Stable	15
16	Ahuja Builders	Construction - Diversified	CRISIL A-/Stable/CRISIL A2+	16
17	Ajanta Ltd.	Consumer Durables - Household Appliances	CRISIL A/Stable/CRISIL A1	17
18	Albert David Ltd.	Pharmaceuticals - Formulation	CRISIL A-/Stable/CRISIL A1	18
19	Alchem International Ltd.	Health Care Supplies	CRISIL A-/Stable/CRISIL A2+	19
20	Alicon Castalloy Ltd	Auto Components and Ancilliary	CRISIL A-/Stable/CRISIL A2+	20
21	Alpha Pharma Daman Pvt Ltd	Packaging - Metal, Plastic and Glass	CRISIL A/Stable/CRISIL A1	21
22	Amar Ujala Publications Ltd.	Publishing	CRISIL A/Stable/CRISIL A1	22
23	American International School - Chennai	Education Services	CRISIL A+/Stable/CRISIL A1+	23
24	Andhra Organics Ltd.	Pharmaceuticals - Bulk Drugs	CRISIL A+/Stable/CRISIL A1+	24
25	Andhra Pradesh Power Finance Corporation Ltd.	Financial Institutions	CRISIL A (SO)/Stable	25

26	Andhra Pradesh Power Generation Corporation Ltd.	Power Utilities	CRISIL A (SO)/Stable	25
27	Andhra Pradesh State Financial Corporation	Financial Institutions	CRISIL A (SO)/Stable	25
28	Angelique International Ltd.	Construction - Roads & Bridges	CRISIL A/Stable/CRISIL A1	26
29	Anjaney Alloys Ltd.	Steel - Ferro Alloys	CRISIL A-/Stable	27
30	Apcotex Industries Ltd.	Chemicals - Speciality	CRISIL A/Stable/CRISIL A1	28
31	Apollo Gleneagles Hospital Ltd	Health Care - Hospital	CRISIL A/Stable/CRISIL A1	29
32	Aries Agro Ltd.	Chemical - Agro Chemicals	CRISIL A-/Stable/CRISIL A2	30
33	Arya Vaidya Sala, Kottakkal	Pharmaceuticals - Formulation	CRISIL A+/Stable/CRISIL A1+	31
34	Ashirvad Pipes Pvt. Ltd.	Industrial Machinery and Consumables	CRISIL A-/Stable/CRISIL A2+	32
35	Ashoka Buildcon Ltd.	Highways Tolling	CRISIL A+/Stable/CRISIL A1	33
36	Ashoka Infrastructure Ltd.	Highways Tolling	CRISIL A-(SO)/Stable	34
37	Ashoka Infraways Pvt. Ltd.	Highways Tolling	CRISIL A (SO)/Stable	35
38	Ashwini Traders	Traders	CRISIL A/Stable/CRISIL A1	36
39	Asian Concretes and Cements Pvt. Ltd.	Cement	CRISIL A+/Stable/CRISIL A1	37
40	ASK Automotive Pvt. Ltd.	Auto Components and Ancilliary	CRISIL A+/Stable	38
41	Aspinwall and Company Ltd.	Diversified	CRISIL A-/Stable/CRISIL A2+	39
42	Associated Soapstone Distributing Company Pvt. Ltd.	Diversified Metals & Mining	CRISIL A-/Positive/CRISIL A2+	40
43	Astra Microwave Products Ltd.	Aerospace & Defense Equipment	CRISIL A+/Stable/CRISIL A1	41
44	Astral Poly Technik Ltd.	Industrial Machinery and Consumables	CRISIL A/Stable/CRISIL A1	42
45	Atria Power Corporation Ltd.	Independent Power Producers & Energy Traders	CRISIL A/Stable	43
46	Automotive Manufacturers Pvt. Ltd.	Automotive Dealers	CRISIL A-/Stable/CRISIL A2+	44
47	Automotive Stampings & Assemblies Ltd	Auto Components and Ancilliary	CRISIL A/Stable/CRISIL A1	45
48	Autotech Industries (India) Pvt. Ltd.	Auto Components and Ancilliary	CRISIL A-/Stable/CRISIL A2+	46
49	Avenue Supermarts Ltd.	Hypermarkets & Super Centers	CRISIL A+/Stable	47
50	Avon Cycles Ltd.	Bicycle Manufacturers	CRISIL A+/Stable/CRISIL A1+	48
51	Ayurvet Ltd.	Pharmaceuticals - Formulation	CRISIL A-/Stable	49
52	B R Agrotech Ltd.	Chemical - Agro Chemicals	CRISIL A+/Stable/CRISIL A1	50
53	B S B K Engineers Pvt. Ltd.	Engineering & Capital Goods	CRISIL A-/Stable/CRISIL A2+	51
54	B.E. Billimoria And Co. Ltd.	Construction - Commercial and Industrial	CRISIL A+/Negative/CRISIL A1	52
55	Bajaj Steel Industries Ltd.	Industrial Machinery and Consumables	CRISIL A/Stable	53
56	Bapuji Educational Association	Education Services	CRISIL A/Stable/CRISIL A1	54
57	Bayer Pharmaceuticals Private Ltd	Pharmaceuticals - Formulation	CRISIL A/Stable/CRISIL A1	55
58	Beam Global Spirits & Wine (India) Pvt. Ltd.	Distillers & Vintners	CRISIL A/Stable/CRISIL A1	56
59	Benetton India Pvt. Ltd.	Apparel Retail	CRISIL A/Stable/CRISIL A1	57
60	Bengal Beverages Pvt. Ltd.	Soft Drinks	CRISIL A/Stable/CRISIL A1	58
61	BF Infrastructure Ltd.	Construction - Diversified	CRISIL A-/Stable/CRISIL A2+	59
62	BGH Exim Ltd.	Traders	CRISIL A-/Stable/CRISIL A2+	60
63	Bharat Biotech International Ltd.	Pharmaceuticals - Others	CRISIL A/Stable/CRISIL A1	61
64	Bharat Insecticides Ltd.	Pharmaceuticals - Others	CRISIL A+/Stable/CRISIL A1	62

65	Bharat Rasayan Ltd.	Chemical - Agro Chemicals	CRISIL A+/Stable	63
66	Bhavani Industries	Auto Components and Ancilliary	CRISIL A-/Stable/CRISIL A1	64
67	Bhojeswar Realtors Pvt. Ltd.	Diversified Real Estate Development	CRISIL A/Stable/CRISIL A1	65
68	Birla Academy of Art & Culture	Education Services	CRISIL A-/Stable	66
69	Bosch Electrical Drives India Pvt. Ltd	Auto Components and Ancilliary	CRISIL A+/Stable/CRISIL A1	67
70	Bothra Shipping Services	Shipping	CRISIL A+/Stable/CRISIL A1	68
71	Brindavan Agro Industries Pvt. Ltd.	Soft Drinks	CRISIL A-/Stable	69
72	Bunge India Pvt. Ltd.	Trading Companies & Distributors	CRISIL A/Stable	70
73	CR Retail Malls (India) Ltd.	Real Estate Operating Companies	CRISIL A-/Stable	71
74	C.R.I. Pumps Pvt. Ltd.	Industrial Machinery and Consumables	CRISIL A/Stable/CRISIL A1	72
75	Calibre Chemicals Pvt. Ltd.	Diversified Chemicals	CRISIL A-/Stable/CRISIL A2+	73
76	Camlin Ltd.	Office Equipments and Writing Instruments	CRISIL A+/Stable/CRISIL A1	74
77	CavinKare Pvt.Ltd.	FMCG	CRISIL A+/Stable/CRISIL A1	75
78	Cement Manufacturing Company Ltd.	Cement	CRISIL A/Stable/CRISIL A1	76
79	Central UP Gas Ltd	Gas Distribution Utilities	CRISIL A-/Stable/CRISIL A2+	77
80	Century Enka Ltd.	Textile - Manmade - Integrated	CRISIL A+/Stable/CRISIL A1+	78
81	Century Plyboards (India) Ltd.	Plywood & Laminates	CRISIL A+/Stable/CRISIL A1	79
82	Charak Pharma Pvt. Ltd.	Pharmaceuticals - Formulation	CRISIL A-/Stable/CRISIL A2+	80
83	Chembond Chemicals Ltd.	Chemicals - Speciality	CRISIL A/Stable/CRISIL A1	81
84	Chemical Process Equipments Pvt. Ltd.	Industrial Machinery and Consumables	CRISIL A-/Stable/CRISIL A2+	82
85	Chemical Process Piping Pvt. Ltd.	Industrial Machinery and Consumables	CRISIL A-/Stable/CRISIL A2+	83
86	Chennai Metropolitan Water Supply & Sewerage Board	Urban Local Bodies	CRISIL A+(SO)/Stable	84
87	Chetak Enterprises Ltd.	Construction - Commercial and Industrial	CRISIL A(so)/Stable/CRISIL A1(so)	85
88	Cheviot Co. Ltd.	Textile - Jute	CRISIL A+/Stable/CRISIL A1+	86
89	CHW Forge Pvt. Ltd.	Steel - Others	CRISIL A/Stable/CRISIL A1	87
90	CMI FPE Ltd.	Industrial Machinery and Consumables	CRISIL A+/Stable/CRISIL A1	88
91	Coastal Gujarat Power Ltd.	Independent Power Producers & Energy Traders	CRISIL A+/Positive	89
92	Coimbatore Polytex Pvt.Ltd.	Textile - Cotton - Spinning	CRISIL A+/Positive/CRISIL A1+	90
93	Consulting Engineering Services (India) Pvt. Ltd.	Research & Consulting Services	CRISIL A-/Stable/CRISIL A2+	91
94	Croda Chemicals(India) Pvt. Ltd.	Chemicals - Speciality	CRISIL A-/Stable/CRISIL A2+	92
95	Daimler India Commercial Vehicles Pvt. Ltd.	Automobile Manufacturers - Commercial Vehicles	CRISIL A+/Stable	93
96	Dash Exports Pvt Ltd	Wheat Flour & Related Products	CRISIL A-/Stable	94
97	Datamatics Global Services Ltd.	Data Processing & Outsourced Services	CRISIL A/Stable/CRISIL A1+	95
98	DB Power Electronics Pvt. Ltd.	Power Storage Equipments	CRISIL A+/Stable/CRISIL A1+	96
99	D'Decor Exports	Home Furnishings	CRISIL A/Stable/CRISIL A1	97
100	D'Decor Home Fabrics Pvt. Ltd.	Home Furnishings	CRISIL A/Stable/CRISIL A1	98

101	Delhi Transco Ltd.	Power Utilities	CRISIL A+/Positive	99
102	Dey's Medical Stores (Mfg) Ltd.	Pharmaceuticals - Formulation	CRISIL A-/Stable	100
103	DF Power Systems Pvt. Ltd.	Heavy Electrical Equipment and EPC	CRISIL A-/Stable/CRISIL A2+	101
104	Dia Man Exports Pvt Ltd.	Gems & Jewellery - Diamond Polishing	CRISIL A-/Stable	102
105	Diamond Power Infrastructure Ltd.	Electronic Components- Transformers	CRISIL A-/Stable/CRISIL A2+	103
106	Diana Tea Co. Ltd.	Tea & Coffee	CRISIL A-/Stable/CRISIL A2+	104
107	Dinshaw's Dairy Foods Ltd.	Dairy Products	CRISIL A-/Stable/CRISIL A2+	105
108	D-Link (India) Ltd.	Technology Distributors	CRISIL A/Stable	106
109	DLF Info City Developers (Kolkata) Ltd	Real Estate Operating Companies	CRISIL A-/Negative	107
110	DLF Info City Developers (Chandigarh) Ltd.	Real Estate Operating Companies	CRISIL A-/Negative	108
111	DLF Ltd.	Diversified Real Estate Development	CRISIL A-/Negative/CRISIL A2+	109
112	Dorf Ketal Speciality Catalysts ndia Pvt. Ltd.	Chemicals - Speciality	CRISIL A-/Positive/CRISIL A1	110
113	Dorf-Ketal Chemicals India Pvt. Ltd.	Chemicals - Speciality	CRISIL A/Positive/CRISIL A1	111
114	Doshion Ltd.	Construction - Irrigation projects	CRISIL A-/Negative/CRISIL A2+	112
115	Doshion Veolia Water Solutions Pvt. Ltd.	Water Utilities	CRISIL A-/Negative/CRISIL A2+	113
116	Driplex Water Engineering Ltd	Construction - Water & Waste Management	CRISIL A-/Stable/CRISIL A2+	114
117	Durovalves India Pvt. Ltd.	Auto Components and Ancilliary	CRISIL A/Stable/CRISIL A1	115
118	Eagle Fuel Pvt. Ltd.	Traders	CRISIL A/Stable/CRISIL A1	116
119	Eastern Condiments Pvt. Ltd.	Agriculture - Others	CRISIL A/Stable/CRISIL A1	117
120	Eastern Power Distribution Company of Andhra Pradesh Ltd.	Power Utilities	CRISIL A-/Negative/CRISIL A2+	118
121	Easy Fit Jewellery Pvt. Ltd.	Gems & Jewellery - Gold Jewellery & Retailing	CRISIL A/Stable/CRISIL A1	119
122	Easyaccess Financial Services Ltd.	Non Banking Financial Company	CRISIL A+/Negative/CRISIL A1+	120
123	Echjay Industries Pvt. Ltd.	Auto Components and Ancilliary	CRISIL A+/Stable	121
124	EEL India Ltd.	Engineering & Capital Goods	CRISIL A-/Positive/CRISIL A2+	122
125	Eftec Shroff (India) Ltd.	Chemicals - Speciality	CRISIL A-/Stable/CRISIL A2+	123
126	Eldeco Housing and Industries Ltd.	Diversified Real Estate Development	CRISIL A-/Stable/CRISIL A2+	124
127	Elegant Collection	Gems & Jewellery - Diamond Polishing	CRISIL A-/Stable	125
128	Esdee Paints Ltd.	Chemicals - Bulk & Polymers	CRISIL A-/Stable/CRISIL A2+	126
129	Essae Digitronics Pvt. Ltd.	Diversified	CRISIL A-/Stable/CRISIL A2+	127
130	Essel Shyam Communication Ltd.	Media - Cable & Satellite	CRISIL A-/Stable/CRISIL A2+	128
131	Essel Shyam Technologies Ltd.	Media - Cable & Satellite	CRISIL A-/Stable/CRISIL A2+	129
132	Everest Industries Ltd.	Building Products	CRISIL A+/Stable/CRISIL A1	130
133	Everest Kanto Cylinder Ltd.	Industrial Machinery and Consumables	CRISIL A+/Stable/CRISIL A1	131
134	Excel Crop Care Ltd	Chemical - Agro Chemicals	CRISIL A/Negative/CRISIL A1	132
135	Famy Care Ltd.	Pharmaceuticals - Formulation	CRISIL A+/Stable/CRISIL A1+	133

136	Fedders Lloyd Corporation Ltd.	Diversified	CRISIL A/Stable/CRISIL A1	134
137	Fenner (India) Ltd.	Engineering & Capital Goods	CRISIL A+/FAA-/Negative/CRISIL A1	135
138	Firstsource Solutions Ltd.	Data Processing & Outsourced Services	CCR A-/CRISIL A2+	136
139	Forbes Marshall Arca Pvt. Ltd.	Industrial Machinery and Consumables	CRISIL A-/Stable/CRISIL A2+	137
140	Forbes Marshall Pvt. Ltd.	Industrial Machinery and Consumables	CRISIL A+/Stable/CRISIL A1+	138
141	Fortis Hospitals Ltd.	Health Care - Hospital	CRISIL A-/Stable/CRISIL A2+	139
142	G R Infraprojects Ltd.	Construction - Commercial and Industrial	CRISIL A-/Positive/CRISIL A2+	140
143	Gabriel India Ltd.	Auto Components and Ancilliary	CRISIL A/Stable/CRISIL A1	141
144	Galaxy Surfactants Ltd.	Chemicals - Speciality	CRISIL A-/Stable/CRISIL A2+	142
145	Gandhi Special Tubes Ltd.	Industrial Machinery and Consumables	CRISIL A+/Stable/CRISIL A1+	143
146	Ganga Care Hospitals Ltd.	Health Care - Hospital	CRISIL A+/Stable	144
147	Gayatri Jhansi Roadways Ltd.	Highways Tolling	CRISIL A(SO)/Stable	145
148	Gayatri Lalitpur Roadways Ltd.	Highways Tolling	CRISIL A(SO)/Stable	146
149	Geltec Pvt. Ltd.	Pharmaceuticals - Formulation	CRISIL A+/Stable/CRISIL A1+	147
150	Geojit Credits Pvt. Ltd.	Non Banking Financial Company	CRISIL A-/Stable/CRISIL A1	148
151	Gharda Chemicals Ltd.	Chemical - Agro Chemicals	CRISIL A+/Stable/CRISIL A1+	149
152	Gherzi Eastern Ltd.	Research & Consulting Services	CRISIL A-/Stable/CRISIL A2+	150
153	GKC Projects Ltd.	Construction - Roads & Bridges	CRISIL A-/Positive/CRISIL A2+	151
154	Glenmark Generics Ltd.	Pharmaceuticals - Formulation	CRISIL A+/Stable/CRISIL A1	152
155	Glenmark Pharmaceuticals Ltd.	Pharmaceuticals - Formulation	CRISIL A+/Stable/CRISIL A1	153
156	Global Coal and Mining Pvt. Ltd.	Coal Washery and Beneficiation	CRISIL A+/Stable/CRISIL A1	154
157	Gloster Ltd.	Textile - Jute	CRISIL A-/Stable/CRISIL A2+	155
158	Graviss Hospitality Ltd.	Hotels & Resorts	CRISIL A-/Stable	156
159	Green Gas Ltd.	Gas Distribution Utilities	CRISIL A-/Negative/CRISIL A2+	157
160	Greenage Griha Nirman Pvt Ltd.	Diversified Real Estate Development	CRISIL A/Stable	158
161	Groz Engineering Tools Pvt Ltd	Industrial Machinery and Consumables	CRISIL A-/Stable/CRISIL A2+	159
162	GSPC Gas Company Ltd.	Gas Distribution Utilities	CRISIL A/Positive	160
163	Gujarat Ambuja Exports Ltd.	Edible Oil	CRISIL A/Stable/CRISIL A1	161
164	Gujarat Apollo Industries Ltd.	Engineering & Capital Goods	CRISIL A+/Positive/CRISIL A1	162
165	Gujarat Insecticides Ltd.	Chemical - Agro Chemicals	CRISIL A/Stable/CRISIL A1	163
166	Gujarat Organics Ltd.	Chemicals - Speciality	CRISIL A/Stable/CRISIL A1	164
167	Gujarat Pipavav Port Ltd.	Marine Ports & Services	CRISIL A+/Stable/CRISIL A1	165
168	Gujarat Reclaim and Rubber Products Ltd.	Tyres & Rubber	CRISIL A-/Positive/CRISIL A2+	166
169	GVK Biosciences Pvt. Ltd.	Life Sciences Tools & Services	CRISIL A+/Stable/CRISIL A1	167
170	Hamilton Housewares Pvt. Ltd.	Housewares & Specialties	CRISIL A+/Stable/CRISIL A1	168
171	Hamilton Writing Instruments Pvt. Ltd.	Office Equipments and Writing Instruments	CRISIL A/Stable/CRISIL A1	169
172	Harbans Lal Malhotra & Sons Pvt Ltd	FMCG	CRISIL A+/Stable/CRISIL A1+	170
173	Harry Winston Diamond (India) Pvt. Ltd.	Traders	CRISIL A/Stable	171

174	Hartex Rubber Pvt. Ltd	Tyres & Rubber	CRISIL A-/Stable/CRISIL A2+	172
175	Hartex Tubes Pvt. Ltd.	Tyres & Rubber	CRISIL A-/Stable	173
176	Hi - Media Laboratories Pvt. Ltd.	Biotechnology	CRISIL A-/Stable/CRISIL A2+	174
177	Hind Offshore Pvt. Ltd.	Oil & Gas Equipment & Services	CRISIL A-/Stable/CRISIL A2+	175
178	Hindustan Newsprint Ltd.	Newsprint	CRISIL A/Negative/CRISIL A1	176
179	Hindustan Platinum Pvt. Ltd.	Diversified Metals & Mining	CRISIL A/Stable/CRISIL A1	177
180	Hindustan Polyamides & Fibres Ltd.	Chemicals - Speciality	CRISIL A-/Positive/CRISIL A2+	178
181	Hitachi Consulting Software Services India Ltd.	IT Consulting & Other Services	CRISIL A+/Stable/CRISIL A1	179
182	Hitachi Hi-Rel Power Electronics Pvt Ltd. (Formerly Hi Rel Electronics Ltd.)	Power Storage Equipments	CRISIL A-/Stable/CRISIL A2+	180
183	Hitech Plast Ltd.	Packaging - Metal, Plastic and Glass	CRISIL A/Stable/CRISIL A1	181
184	HLS Asia Ltd.	Oil & Gas Equipment & Services	CRISIL A+/Stable/CRISIL A1+	182
185	Holostik India Ltd.	Packaging - Metal, Plastic and Glass	CRISIL A/Stable/CRISIL A1	183
186	Home Idea Upholstery Pvt. Ltd.	Home Furnishings	CRISIL A/Stable	184
187	HPL Additives Ltd.	Chemicals - Speciality	CRISIL A/Stable/CRISIL A1	185
188	Hyderabad Chemical Products Ltd.	Chemical - Agro Chemicals	CRISIL A/Stable/CRISIL A1	186
189	Hyderabad Chemicals Ltd.	Chemical - Agro Chemicals	CRISIL A/Stable/CRISIL A1	167
190	Hyundai Construction Equipment India Pvt Ltd	Engineering & Capital Goods	CRISIL A/Stable	188
191	IDMC Ltd.	Engineering & Capital Goods	CRISIL A+/Stable/CRISIL A1	189
192	IL&FS Transportation Networks Ltd.	Construction - Diversified	CRISIL A/CRISIL A1 (Rating watch with developing implications)	190
193	India Pistons Ltd.	Auto Components and Ancilliary	CRISIL A-/Stable/CRISIL A1	191
194	Indian Oil Sky Tanking Ltd.	Aviation & Ground Handling	CRISIL A+/Positive	192
195	Indo-US MIM Tec Pvt Ltd.	Engineering & Capital Goods	CRISIL A/Stable	193
196	Indusind Media and Communications Ltd.	Media - Cable & Satellite	CRISIL A/Stable	194
197	Infrasoft Technologies Ltd.	Application Development and Maintenance	CRISIL A-/Stable/CRISIL A1	195
198	Injectoplast Pvt. Ltd.	Auto Components and Ancilliary	CRISIL A-/Stable/CRISIL A1	196
199	Inox India Ltd.	Engineering & Capital Goods	CRISIL A+/Stable/CRISIL A1	197
200	Inox Leisure Ltd.	Media - Movies & Entertainment	CRISIL A+/Stable/CRISIL A1+	198
201	Inox Wind Ltd.	Heavy Electrical Equipment and EPC	CRISIL A-/Stable/CRISIL A2+	199
202	Insecticides (India) Ltd.	Chemical - Agro Chemicals	CRISIL A/Stable/CRISIL A1	200
203	Institute of Management Studies Society	Education Services	CRISIL A-/Stable	201
204	Interarch Building Products Pvt. Ltd.	Construction - Commercial and Industrial	CRISIL A-/Stable/CRISIL A2	202
205	International Print - 0 - Pac Ltd	Packaging - Paper	CRISIL A/Stable/CRISIL A1	203
206	Inventia Healthcare Pvt. Ltd.	Pharmaceuticals - Formulation	CRISIL A-/Stable/CRISIL A2+	204
207	ION Exchange India Ltd.	Construction - Water & Waste Management	CRISIL A-/Stable/CRISIL A2+	205
208	Isagro (Asia) Agrochemicals Pvt. Ltd.	Chemical - Agro Chemicals	CRISIL A/Stable/CRISIL A1	206
209	Jamshedpur Utilities & Services Company Ltd.	Construction - Water & Waste Management	CRISIL A-/Stable/CRISIL A2+	207

210	Jasani Jewellery	Gems & Jewellery - Diamond Polishing	CRISIL A-/Stable	208
211	Jindal Industries Ltd.	Industrial Machinery and Consumables	CRISIL A-/Stable/CRISIL A1	209
212	Jindal Pipes Ltd.	Pipe and Pipe Fittings	CRISIL A+/Stable/CRISIL A1+	210
213	Joyalukkas India Ltd.	Diversified	CRISIL A/Stable/CRISIL A1	211
214	Juhu Beach Resorts Ltd.	Hotels & Resorts	CRISIL A+/Stable/CRISIL A1	212
215	K L Steels Pvt. Ltd.	Steel - Semi Integrated TMT/ Rolled/ Structural Products	CRISIL A-/Negative/CRISIL A2+	213
216	K.S.R.Educational and Charitable Trust	Education Services	CRISIL A-/Stable	214
217	Kalinga Coal Mining Pvt Ltd	Coal & Consumable Fuels	CRISIL A-/Stable	215
218	Kalyani Forge Ltd.	Auto Components and Ancilliary	CRISIL A-/Stable/CRISIL A2+	216
219	Kama-Schachter Jewelry Pvt. Ltd.	Gems & Jewellery - Diamond Jewellery & Retailing	CRISIL A-/Stable/CRISIL A2+	217
220	Kangaro Industries Ltd.	Office Equipments and Writing Instruments	CRISIL A/Positive/CRISIL A1	218
221	Kanin (India)	Office Equipments and Writing Instruments	CRISIL A/Positive/CRISIL A1	219
222	Karnatak Lingayat Education Society	Education Services	CRISIL A+/Stable/CRISIL A1	220
223	Karnataka Antibiotics and Pharmaceuticals Ltd.	Pharmaceuticals - Formulation	CRISIL A-/Stable/CRISIL A1	221
224	Karnataka Housing Board	Urban Local Bodies	CRISIL A+/Stable	222
225	Karnataka Soaps & Detergents Ltd.	FMCG - Others	CRISIL A-/Stable/CRISIL A2+	223
226	Kasyap Sweetners Ltd	Agriculture - Others	CRISIL A-/Stable/CRISIL A2+	224
227	Keva Fragrances Pvt Ltd	Chemicals - Speciality	CRISIL A-/Stable	225
228	Kewal Kiran Clothing Ltd.	Apparel Retail	CRISIL A+/Stable/CRISIL A1+	226
229	Kilitch Drugs (India) Ltd.	Pharmaceuticals - Contract Manufacturing	CRISIL A-/CRISIL A2+ (Rating watch with negative implications)	227
230	KIMS Healthcare Management Ltd.	Health Care - Hospital	CRISIL A-/Stable/CRISIL A2+	228
231	Kirloskar Ebara Pumps Ltd.	Industrial Machinery and consumables	CRISIL A+/Stable/CRISIL A1+	229
232	Kirloskar Ferrous Industries Ltd.	Steel - Sponge/ Pig Iron	CRISIL A+/Stable/CRISIL A1+	230
233	KLJ Organic Ltd.	Industrial Machinery and Consumables	CRISIL A/Stable/CRISIL A1	231
234	KLJ Plasticizers Ltd.	Chemicals - Bulk & Polymers	CRISIL A/Stable/CRISIL A1	232
235	KLJ Poly Alloys	Chemicals - Bulk & Polymers	CRISIL A/Stable/CRISIL A1	233
236	KLJ Polymers & Chemicals Ltd.	Chemicals - Bulk & Polymers	CRISIL A/Stable/CRISIL A1	234
237	KLJ Resources Ltd	Chemicals - Bulk & Polymers	CRISIL A/Stable/CRISIL A1	235
238	KNR Constructions Ltd.	Construction - Commercial and Industrial	CRISIL A-/Stable/CRISIL A2+	236
239	Kolkata Municipal Corporation	Urban Local Bodies	CCR A+; CRISIL A+/Stable	237
240	Krishi Rasayan	Chemical - Agro Chemicals	CRISIL A-/Stable/CRISIL A2+	238
241	Krohne Marshall Pvt Ltd	Industrial Machinery and Consumables	CRISIL A-/Stable/CRISIL A2+	239
242	Kumar Food Industries Ltd	Wheat Flour & Related products	CRISIL A-/Stable	240
243	Kumar Organic Products Ltd.	Chemicals - Speciality	CRISIL A-/Stable/CRISIL A2+	241
244	L&T Shipbuilding Ltd.	Ship Building	CRISIL A+/Stable/CRISIL A1	242

245	L&T Special Steels and Heavy Forging Pvt. Ltd.	Engineering & Capital Goods	CRISIL A+/Stable/CRISIL A1	243
246	L&T-MHI Turbine Generators Pvt. Ltd.	Heavy Electrical Equipment and EPC	CRISIL A+/Stable	244
247	Labindia Instruments Pvt. Ltd.	Electronic Equipment & Instruments	CRISIL A/Stable/CRISIL A1	245
248	Lakshmi Card Clothing Manufacturing Company Pvt.Ltd.	Industrial Machinery and Consumables	CRISIL A/Stable/CRISIL A1	246
249	Lakshmi Electrical Control Systems Ltd.	Electrical Components & Equipment	CRISIL A+/Stable/CRISIL A1	247
250	Lakshmi Electrical Drives Ltd.	Industrial Machinery and Consumables	CRISIL A/Stable/CRISIL A1	248
251	Lakshmi Precision Tools Ltd.	Industrial Machinery and Consumables	CRISIL A-/Stable	249
252	Lakshmi Ring Travellers (Coimbatore) Ltd.	Industrial Machinery and Consumables	CRISIL A-/Positive/CRISIL A2+	250
253	Lalit Pipes & Pipes Ltd.	Industrial Machinery and Consumables	CRISIL A-/Stable/CRISIL A2+	251
254	Lanco Kondapalli Power Ltd.	Independent Power Producers & Energy Traders	CRISIL A-/Stable/CRISIL A2+	252
255	Laser Shaving (India) Pvt Ltd	FMCG	CRISIL A+/Stable/CRISIL A1+	253
256	Lease Plan India Pvt. Ltd.	Non Banking Financial Company	CRISIL A(SO)/Stable	254
257	Lee and Muirhead Pvt. Ltd.	Transport & Logistics	CRISIL A-/Stable/CRISIL A1	255
258	Leighton Welspun Contractors Pvt. Ltd.	Construction - Commercial and Industrial	CRISIL A+/Stable/CRISIL A1	256
259	Linc Pen & Plastics Ltd.	Office Equipments and Writing Instruments	CRISIL A-/Stable/CRISIL A2+	257
260	Lloyd Electric and Engineering Ltd.	Electronic Components-Others	CRISIL A+/Negative/CRISIL A1	258
261	LMMF's Deenanath Mangeshkar Hospital	Health Care - Hospital	CRISIL A/Stable	259
262	Lokmat Media Pvt. Ltd.	Publishing	CRISIL A+/Positive/CRISIL A1+	260
263	Ludhiana Beverages Pvt. Ltd.	Soft Drinks	CRISIL A/Stable/CRISIL A1	261
264	Lumax Auto Technologies Ltd.	Auto Components and Ancilliary	CRISIL A/Stable/CRISIL A1	262
265	Lumax DK Auto Industries Ltd.	Auto Components and Ancilliary	CRISIL A/Stable/CRISIL A1	263
266	Luminous Power Technologies Pvt. Ltd.	Power Storage equipments	CRISIL A+/Positive/CRISIL A1	264
267	Luminous Teleinfra Ltd.	Passive Infrastructure Manufacturers	CRISIL A-/Positive/CRISIL A2+	265
268	M K Agrotech Pvt. Ltd.	Edible Oil	CRISIL A-/Stable/CRISIL A1	266
269	M R T Signals Ltd.	Electronic Components-Others	CRISIL A-/Stable/CRISIL A2+	267
270	M Suresh Company Pvt. Ltd.	Traders	CRISIL A-/Stable	268
271	M Suresh Jewellery Pvt. Ltd.	Traders	CRISIL A-/Stable	269
272	Macawber Beekay Pvt. Ltd.	Engineering & Capital Goods	CRISIL A-/Stable/CRISIL A2+	270
273	Maharashtra Oil Extractions Pvt. Ltd.	Edible Oil	CRISIL A-/Stable	271
274	Maharishi Siksha Sansthan	Education Services	CRISIL A-/Stable	272
275	Mahindra Gears and Transmissions Pvt. Ltd.	Auto Components and Ancilliary	CRISIL A+/Stable/ CRISIL A1	273
276	Mahindra Rural Housing Finance Ltd.	Housing Finance Company	CRISIL A+/Stable/CRISIL A1+	274
277	Man Industries (India) Ltd.	Industrial Machinery and Consumables	CRISIL A-/Stable/CRISIL A2+	275
278	Manappuram Finance Ltd	Non Banking Financial Company	CRISIL A+/CRISIL A1+ (Rating watch with Developing implications)	276

279	Mandhana Industries Ltd.	Textile - Manmade - Integrated	CRISIL A-/Stable/ CRISIL A2+	277
280	Mando India Ltd.	Auto Components and Ancilliary	CRISIL A-/Negative	278
281	Mangalore Chemical & Fertilizers Ltd.	Chemical - Fertiliser	CRISIL A-/Stable/ CRISIL A2+	279
282	Manjushree Technopack Ltd.	Packaging - Metal, plastic and Glass	CRISIL A-/Stable/ CRISIL A2+	280
283	Manugraph India Ltd	Printing	CRISIL A+/Stable/ CRISIL A1+	281
284	Maratha Vidya Prasarak Samaj, Nashik	Education Services	CRISIL A-/Stable/ CRISIL A2+	282
285	Marathon Electric Motors (India) Ltd.	Electrical Components & Equipment	CRISIL A/Stable/ CRISIL A1	283
286	Maruichi KUMA Steel Tube Pvt. Ltd.	Auto Components and Ancilliary	CRISIL A-/Stable/ CRISIL A2+	284
287	Mascot Properties Pvt Ltd.	Diversified Real Estate Development	CRISIL A/Stable	285
288	Mastek Ltd.	IT Consulting & Other Services	CRISIL A+/Negative/CRISIL A1	286
289	Matrix Cellular International Services Pvt Ltd	Mobile Service Operators	CRISIL A-/Stable	287
290	Mayur Uniquoters Ltd.	Auto Components and Ancilliary	CRISIL A-/Stable/ CRISIL A2+	288
291	MCC PTA India Corp Pvt. Ltd.	Chemicals - Bulk & Polymers	CRISIL A-/Stable/ CRISIL A2+	289
292	Medley Pharmaceuticals Ltd.	Pharmaceuticals - Formulation	CRISIL A/Stable/ CRISIL A1	290
293	Megha Technical & Engineers Pvt. Ltd.	Cement	CRISIL A/Stable/ CRISIL A1	291
294	Meghalaya Power Ltd.	Cement	CRISIL A/Stable/ CRISIL A1	292
295	Meghmani Dyes and Intermediates Ltd.	Chemicals - Speciality	CRISIL A+/Positive/ CRISIL A1	293
296	Meghmani Industries Ltd.	Chemical - Agro Chemicals	CRISIL A+/Stable/ CRISIL A1	294
297	Meghmani Organics Ltd.	Chemical - Agro Chemicals	CRISIL A/Stable/ CRISIL A1	295
298	Merino Industries Ltd.	Plywood & Laminates	CRISIL A-/Positive/ CRISIL A2+	296
299	Merino Panel Products Ltd.	Plywood & Laminates	CRISIL A-/Positive/ CRISIL A2+	297
300	Messung Systems Pvt. Ltd.	Traders	CRISIL A/ CRISIL A1 (Rating watch with developing implications)	298
301	Metro Cash & Carry India Pvt Ltd.	Distributors	CRISIL A/Stable/CRISIL A1	299
302	Micro Finish Valves Pvt. Ltd.	Industrial Machinery and Consumables	CRISIL A/Stable/CRISIL A1	300
303	Mirc Electronics Ltd.	Consumer Durables - Consumer Electronic Products	CRISIL A-/Negative/CRISIL A2+	301
304	Mirza International Ltd.	Leather & Leather Goods	CRISIL A-/Stable/ CRISIL A2+	302
305	Moon Beverages Ltd.	Soft Drinks	CRISIL A+/Stable/ CRISIL A1+	303
306	Mrs. Bector's Food Specialities Ltd.	FMCG - Others	CRISIL A-/Stable/ CRISIL A2+	304
307	MSS India Private Ltd.	Electrical Components & Equipment	CRISIL A-/Stable/CRISIL A2+	305
308	MTAR Technologies Pvt. Ltd.	Aerospace & Defense Equipment	CRISIL A/Stable/ CRISIL A1	306
309	Mumbai Waste Management Ltd.	Environmental & Facilities Services	CRISIL A/Stable	307
310	Muthoot Capital Services Ltd.	Non Banking Financial Company	CRISIL A+/Stable/CRISIL A1+	308
311	Muthoot Fincorp Ltd	Non Banking Financial Company	CRISIL A+/Stable/CRISIL A1+	309
312	Mutual Industries Ltd.	Auto Components and Ancilliary	CRISIL A/Stable	310
313	Nahar Spinning Mills Ltd.	Textile - Cotton - Spinning	CRISIL A/Stable/CRISIL A1	311

314	Namdhari Farm Fresh Pvt. Ltd.	Agriculture - Others	CRISIL A-/Stable	312
315	Namdhari Seeds Pvt. Ltd.	Agriculture - Others	CRISIL A-/Stable	313
316	Nash Industries	Steel - Others	CRISIL A-/Stable/CRISIL A2+	314
317	Nava Bharat Ventures Ltd..	Power Utilities	CRISIL A+/Stable/CRISIL A1+	315
318	NCC Ltd. (formerly Nagarjuna Construction Company Ltd.)	Construction - Roads & Bridges	CRISIL A+/Negative/CRISIL A1	316
319	NED Energy Ltd.	Power Storage Equipments	CRISIL A/Stable/CRISIL A1	317
320	NELCO Ltd.	Electrical Components & Equipment	CRISIL A/Stable/CRISIL A1	318
321	Neon Laboratories Ltd.	Pharmaceuticals - Formulation	CRISIL A-/Stable/CRISIL A2+	319
322	Netafim Irrigation India Pvt. Ltd.	Construction - Irrigation Projects	CRISIL A+/Positive/CRISIL A1+	320
323	New Consolidated Construction Company Ltd.	Construction - Commercial and Industrial	CRISIL A-/Negative/CRISIL A2+	321
324	Nippon Audiotronix Ltd.	Auto Components and Ancilliary	CRISIL A+/Stable/CRISIL A1	322
325	Nitin Fire Protection Industries Ltd.	Diversified	CRISIL A/Stable/CRISIL A1	323
326	Nitta Gelatin India Ltd.	Pharmaceuticals - Others	CRISIL A-/Stable/CRISIL A2+	324
327	Nitte Education Trust	Education Services	CRISIL A-/Stable/CRISIL A2+	325
328	NKG Infrastructure Ltd.	Construction - Diversified	CRISIL A/Stable/CRISIL A1	326
329	Noble Resources and Trading India Pvt. Ltd.	Trading Companies & Distributors	CRISIL A/CRISIL A1(Rating watch with negative implications)	327
330	NTL Electronics India Ltd.	Consumer Durables - Household Appliances	CRISIL A-/Stable/CRISIL A2+	328
331	Nucon Power Controls Pvt. Ltd.	Electronic Components- Transformers	CRISIL A-/Stable/CRISIL A1	329
332	Nucon Switchgears Pvt. Ltd.	Electronic Components- Transformers	CRISIL A-/Stable/CRISIL A1	330
333	Om Sagar Engineering Pvt. Ltd.	Industrial Machinery and Consumables	CRISIL A(SO)/Stable	331
334	ONGC Tripura Power Company Ltd.	Independent Power Producers & Energy Traders	CRISIL A+/Stable	332
335	Orient Abrasives Ltd.	Industrial Machinery and Consumables	CRISIL A+/Positive/CRISIL A1+	333
336	P.E.S. Engineers Pvt Ltd.	Auto Components and Ancilliary	CRISIL A-/Stable/CRISIL A2+	334
337	Paranjape Autocast Pvt. Ltd.	Auto Components and Ancilliary	CRISIL A-/Stable/CRISIL A2+	335
338	Parekh Aluminex Ltd.	Packaging - Paper	CRISIL A+/Negative/CRISIL A1	336
339	Parksons Packaging Ltd.	Packaging - Paper	CRISIL A-/Stable/CRISIL A2+	337
340	Pataka Industries Pvt. Ltd.	Tobacco	CRISIL A/Stable/CRISIL A1	338
341	Penguin Books India Private Ltd	Publishing	CRISIL A+/Stable	339
342	PI Industries Ltd.	Chemical - Agro Chemicals	CRISIL A/Stable/CRISIL A1	340
343	Piaggio Vehicles Pvt. Ltd.	Automobile Manufacturers - Commercial Vehicles	CRISIL A+/Stable/CRISIL A1+	341
344	Plant Lipids Pvt. Ltd.	Agriculture - Others	CRISIL A+/Stable/CRISIL A1	342
345	Plastiblends India Ltd.	Chemicals - Bulk & Polymers	CRISIL A+/Stable/CRISIL A1	343
346	Poddar Pigments Ltd.	Chemicals - Bulk & Polymers	CRISIL A/Stable/CRISIL A1	344
347	Poly Medicure Ltd.	Pharmaceuticals - Contract Manufacturing	CRISIL A/Stable/CRISIL A1	345
348	Power Mech Projects Ltd.	Heavy Electrical Equipment and EPC	CRISIL A-/Stable/CRISIL A2+	346

349	Prasad and Company (Project Works) Ltd.	Construction - Roads & Bridges	CRISIL A-/Stable/CRISIL A2+	347
350	Pratibha CRFG JV (Pratibha CRFG).	Construction - Water & Waste Management	CRISIL A-(SO)/Stable/CRISIL A2+(SO)	348
351	Pratibha Industries Ltd.	Construction - Irrigation Projects	CRISIL A-/Stable/CRISIL A2+	349
352	Pratibha Ostu Stettin Joint Venture	Construction - Irrigation Projects	CRISIL A-(SO)/Stable/CRISIL A2+(SO)	350
353	Pratibha Pipes and Structural Ltd.	Industrial Machinery and Consumables	CRISIL A-/Stable/CRISIL A2+	351
354	Precision Pipes and Profiles Company Ltd.	Auto Components and Ancilliary	CRISIL A+/Stable/CRISIL A1	352
355	Premier Cotton Textiles	Textile - Cotton - Integrated	CRISIL A+/Positive/CRISIL A1+	353
356	Premier Fine Linens Pvt. Ltd.	Textile - Cotton - Integrated	CRISIL A+/Positive/CRISIL A1+	354
357	Premier Mills Pvt.Ltd	Textile - Cotton - Spinning	CRISIL A+/Positive/CRISIL A1+	355
358	Premier Spinning & Weaving Mills Pvt.Ltd.	Textile - Cotton - Spinning	CRISIL A+/Positive/CRISIL A1+	356
359	Prima Products Pvt.Ltd.	Textile - Cotton - Spinning	CRISIL A+/Positive/CRISIL A1+	357
360	Prime Infrapark Pvt. Ltd.	Construction - Commercial and Industrial	CRISIL A-(SO)/Stable	358
361	Prime Mineral Exports Pvt. Ltd.	Steel - Iron Ore Mining	CRISIL A+/Stable	359
362	Promed Exports Pvt Ltd.	Pharmaceuticals - Formulation	CRISIL A-/Stable/CRISIL A2+	360
363	Pudumjee Industries Ltd.	Speciality Paper	CRISIL A-/Stable/CRISIL A2+	361
364	Pudumjee Pulp And Paper Mills Ltd.	Speciality Paper	CRISIL A-/Stable/CRISIL A2+	362
365	Puzzolana Machinery Fabricators	Engineering & Capital Goods	CRISIL A+/Stable/CRISIL A1	363
366	PVR Ltd.	Media - Movies & Entertainment	CRISIL A+/Stable	364
367	Quadro Info Technologies Pvt Ltd	Diversified Real Estate Development	CRISIL A/Stable	365
368	Quality Care India Ltd.	Health Care - Hospital	CRISIL A+/Stable/CRISIL A1	366
369	R B Jewellery Corporation	Gems & Jewellery - Diamond Polishing	CRISIL A-/Stable	367
370	R Systems International Ltd.	Application Development and Maintenance	CRISIL A/Stable/CRISIL A1	368
371	R.A.K. Ceramics India Pvt.Ltd.	Building Products	CRISIL A-/Negative/CRISIL A2+	369
372	Radius Water Ltd.	Water Utilities	CRISIL A-(SO)/Stable	370
373	Rajkot Municipal Corporation	Urban Local Bodies	CCR A-	371
374	Rajlaxmi Griha Nirman Pvt. Ltd.	Diversified Real Estate Development	CRISIL A/Stable/CRISIL A1	372
375	Rajmata Realtors Pvt. Ltd.	Diversified Real Estate Development	CRISIL A/Stable	373
376	Rajsriya Automotive Industries Pvt. Ltd.	Auto Components and Ancilliary	CRISIL A/Stable/CRISIL A1	374
377	Ralson (India) Ltd.	Tyres & Rubber	CRISIL A+/Stable/CRISIL A1	375
378	Raman Education Society	Education Services	CRISIL A-/Stable	376
379	Ramkrishna Care Medical Sciences Pvt. Ltd.	Health Care - Hospital	CRISIL A/Stable	377
380	Ramkrishna Forgings Ltd	Auto Components and Ancilliary	CRISIL A-/Stable	378
381	Ramky Enviro Engineers Ltd	Environmental & Facilities Services	CRISIL A/Stable/CRISIL A1	379

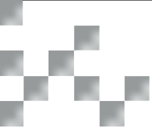
382	Ramky Infrastructure Ltd.	Construction - Roads & Bridges	CRISIL A+/Stable/CRISIL A1	380
383	Rashtriya Chemicals & Fertilizers Ltd.	Chemical - Fertiliser	CRISIL A+/Positive/CRISIL A1+	381
384	Ratilal Becharlal & Sons	Gems & Jewellery - Diamond Polishing	CRISIL A-/Stable	382
385	Raymond Apparel Ltd.	Apparel Retail	CRISIL A+/Stable	383
386	Rediffusion Dentsu Young & Rubicam Pvt. Ltd.	Media - Advertising	CRISIL A-/Stable/CRISIL A2+	384
387	Revathi Equipment Ltd.	Engineering & Capital Goods	CRISIL A/Stable/CRISIL A1	385
388	Riddhi Siddhi Gluco Biols Ltd.	Agriculture - Others	CRISIL A-/CRISIL A2+ (rating watch with developing implications)	386
389	Roha Dyechem Pvt Ltd	Chemicals - Speciality	CRISIL A-/Stable/CRISIL A2+	387
390	RR Kabel Ltd.	Electrical Components & Equipment	CRISIL A-/Stable/CRISIL A2+	388
391	S H Kelkar and Company Pvt. Ltd.	Chemicals - Speciality	CRISIL A-/Stable	389
392	Sai Service Station Ltd.	Automotive Dealers	CRISIL A/Stable/CRISIL A1	390
393	Sainik Mining and Allied Services Ltd.	Coal & Consumable Fuels	CRISIL A-/Stable/CRISIL A2+	391
394	Salarpuria Griha Nirman Pvt Ltd	Diversified Real Estate Development	CRISIL A/Stable	392
395	Salarpuria Homes Pvt Ltd.	Diversified Real Estate Development	CRISIL A/Stable	393
396	Salarpuria Properties Pvt Ltd	Diversified Real Estate Development	CRISIL A/Stable/CRISIL A1	394
397	Salzer Electronics Ltd.	Electrical Components & Equipment	CRISIL A-/Stable/CRISIL A2+	395
398	Samkrg Pistons And Rings Ltd.	Auto Components and Ancilliary	CRISIL A-/Stable/CRISIL A2+	396
399	Samsonite South Asia Pvt. Ltd	Housewares & Specialties	CRISIL A+/Stable/CRISIL A1	397
400	San Engineering & Locomotive Company Ltd.	Engineering & Capital Goods	CRISIL A-/Stable/CRISIL A2+	398
401	Sarat Chatterjee & Co (Visakhapatnam) Pvt. Ltd.	Shipping	CRISIL A+/Stable/CRISIL A1+	399
402	Sattva Builders Pvt. Ltd.	Diversified Real Estate Development	CRISIL A/Stable/CRISIL A1	400
403	Sattva Developers Pvt Ltd.	Diversified Real Estate Development	CRISIL A/Stable	401
404	Savita Polymers Ltd.	Chemicals - Bulk & Polymers	CRISIL A+/Stable/CRISIL A1+	402
405	Savitrimata Realtors Pvt Ltd	Diversified Real Estate Development	CRISIL A/Stable	403
406	SEAMEC Ltd.	Oil & Gas Equipment & Services	CRISIL A+/Stable/CRISIL A1+	404
407	Second Vivekananda Bridge Tollway Company Pvt. Ltd.	Highways Tolling	CRISIL A-(SO)/Stable	405
408	Selan Exploration Technology Ltd.	Oil & Gas Exploration & Production	CRISIL A/Stable/CRISIL A1	406
409	Shakti Bhog Foods Ltd	Wheat Flour & Related Products	CRISIL A-/Stable/CRISIL A2+	407
410	Shakti Bhog Snacks Ltd	Wheat Flour & Related Products	CRISIL A-/Stable	408
411	Shalimar Chemical Works Ltd.	FMCG	CRISIL A/Stable	409
412	Sharadha Terry Products Ltd.	Home Furnishings	CRISIL A+/Stable/CRISIL A1	410
413	Sharda Motor Industries Ltd.	Auto Components and Ancilliary	CRISIL A/Stable/CRISIL A1	411
414	Sheela Foam Pvt. Ltd.	Chemicals - Bulk & Polymers	CRISIL A-/Positive/CRISIL A2+	412

415	Shree Ganesh Fats Pvt. Ltd	FMCG - Others	CRISIL A-/Stable	413
416	Shree Radhalakshmi Cotton Pvt. Ltd.	Traders	CRISIL A/Stable/CRISIL A1	414
417	Shree Siddhivinayaka Cotton Corporation	Traders	CRISIL A/Stable/CRISIL A1	415
418	Shree Tirupati Cotton Corporation	Traders	CRISIL A/Stable/CRISIL A1	416
419	Shri Dharmasthala Manjunatheshwara Educational Society	Education Services	CRISIL A+/Stable	417
420	Shyam Metalics and Energy Ltd.	Steel - Integrated TMT/ Rolled/ Structural products	CRISIL A-/Stable/CRISIL A2+	418
421	Shyam Sel and Power Ltd.	Steel - Integrated TMT/ Rolled/ Structural products	CRISIL A-/Stable/CRISIL A2+	419
422	Silvassa Plast	Chemicals - Speciality	CRISIL A/Stable/CRISIL A1	420
423	Siyaram Silk Mills Ltd.	Textile - Weaving, Knitting and Processing	CRISIL A/Stable/CRISIL A1	421
424	Skoda Auto India Pvt. Ltd.	Automobile Manufacturers - Passenger Car	CRISIL A+/Positive	422
425	SMC Infrastructures (P) Ltd.	Construction - Commercial and Industrial	CRISIL A-/Stable/CRISIL A2+	423
426	Softzone Techpark Ltd	Diversified Real Estate Development	CRISIL A/Stable	424
427	Sonata Information Technology Ltd.	Traders	CRISIL A-/Stable	425
428	SP Fabricators Pvt. Ltd..	Building Products	CRISIL A/Stable/CRISIL A1	426
429	Speciality Restaurants Ltd.	Restaurants	CRISIL A-/Stable/CRISIL A2+	427
430	Spectrum Coal and Power Ltd.	Coal Washery and Beneficiation	CRISIL A+/Stable/CRISIL A1	428
431	Sree Narasimha Textiles Pvt.Ltd.	Textile - Cotton - Spinning	CRISIL A+/Positive/CRISIL A1+	429
432	Sri Balaji & Co	Traders	CRISIL A/Stable/CRISIL A1	430
433	Sri Ramadas Motor Transport Ltd.	Automotive Dealers	CRISIL A-/Stable/CRISIL A2+	431
434	SSP (Pvt) Ltd.	Engineering & Capital Goods	CRISIL A-/Stable/CRISIL A2+	432
435	Star Cement Meghalaya Ltd.	Cement	CRISIL A/Stable	433
436	ST-CMS Electric Company Pvt. Ltd.	Independent Power Producers & Energy Traders	CRISIL A+/Negative/CRISIL A1	434
437	Sterling Agro Industries Ltd.	Dairy Products	CRISIL A-/Positive/CRISIL A2+	435
438	Sterlite Energy Ltd.	Power Utilities	CRISIL AA+ (SO) (Rating watch with developing implications)/CRISIL A1+ (SO); CRISIL A/CRISIL A1 (Rating watch With positive implications)	436
439	Sterlite Technologies Ltd (Formerly Sterlite Optical Technologies Ltd)	Electrical Components & Equipment	CRISIL A+/Stable/CRISIL A1	437
440	Sulabh International Social Service Organisation	Construction - Water & Waste Management	CRISIL A+/Stable	438
441	Sulphur Mills Ltd.	Chemical - Agro Chemicals	CRISIL A+/Stable/CRISIL A1+	439
442	Sundaram-Clayton Ltd.	Auto Components and Ancilliary	CRISIL A+/Stable/CRISIL A1	440
443	Super Sales India Ltd.	Textile - Cotton - Integrated	CRISIL A-/Stable/CRISIL A2+	441
444	Symed Labs Ltd.	Pharmaceuticals - Bulk Drugs	CRISIL A-/Stable/CRISIL A2+	442
445	Synthite Industries Ltd.	Agriculture - Others	CRISIL A+/Positive/CRISIL A1+	443

446	T S Alloys Ltd.	Diversified Metals & Mining	CRISIL A+/Stable	444
447	TACO Composites Ltd.	Auto Components and Ancilliary	CRISIL A/Stable/CRISIL A1	445
448	TACO Hendrickson Suspensions Pvt Ltd	Auto Components and Ancilliary	CRISIL A/Stable/CRISIL A1	446
449	Tafe Access Ltd.	Automotive Dealers	CRISIL A+/Stable/CRISIL A1+	447
450	TAL Manufacturing Solutions Ltd.	Industrial Machinery and Consumables	CRISIL A+/Stable/CRISIL A1	448
451	Tamil Nadu Electricity Board	Power Utilities	CRISIL A-(SO)/Stable	449
452	Tamil Nadu Generation and Distribution Corporation Ltd.	Power Utilities	CRISIL A-(SO)/Stable	450
453	Tata BP Solar India Ltd.	Heavy Electrical Equipment and EPC	CRISIL A+/Stable/CRISIL A1	451
454	TATA Sky Ltd.	Media - Cable & Satellite	CRISIL A/Stable/CRISIL A1	452
455	Tata Teleservices (Maharashtra) Ltd.	Mobile Service Operators	CRISIL A/Stable/CRISIL A1	453
456	Tata Teleservices Ltd.	Mobile Service Operators	CRISIL A/Stable/CRISIL A1	454
457	Tatanet Services Ltd.	Alternative Carriers	CRISIL A/Stable/CRISIL A1	455
458	Tayo Rolls Ltd.	Industrial Machinery and Consumables	CRISIL A-/FA/Negative/CRISIL A2+	456
459	TD Power Systems Pvt Ltd	Heavy Electrical Equipment and EPC	CRISIL A+/Stable/CRISIL A1+	457
460	Tea Estates India Ltd.	Tea & Coffee	CRISIL A-/Stable	458
461	Technocraft Industries India Ltd.	Diversified	CRISIL A+/Stable/CRISIL A1+	459
462	Technofab Engineering Ltd.	Engineering & Capital Goods	CRISIL A-/Stable/CRISIL A2+	460
463	Tecpro Systems Ltd.	Engineering & Capital Goods	CRISIL A+/Negative/CRISIL A1	461
464	Tega Industries Ltd.	Industrial Machinery and Consumables	CRISIL A/Stable/CRISIL A1	462
465	Telecommunications Consultants India Ltd.	Integrated Telecommunication Services	CRISIL A+/Stable/CRISIL A1+	463
466	Tenova Hypertherm Pvt. Ltd.	Engineering & Capital Goods	CRISIL A+/Stable/CRISIL A1+	464
467	Texmo Industries	Industrial Machinery and Consumables	CRISIL A/Stable/CRISIL A1	465
468	TFL Quinn India Pvt. Ltd.	Chemicals - Speciality	CRISIL A-/Stable/CRISIL A2+	466
469	The KCP Ltd.	Cement	CRISIL A-/Positive/CRISIL A2+	467
470	The Mathrubhumi Printing & Publishing Co. Ltd.	Publishing	CRISIL A/Stable/CRISIL A1	468
471	The Printers Mysore Pvt. Ltd.	Publishing	CRISIL A/Stable/CRISIL A1	469
472	Threads India Ltd.	Textile - RMG	CRISIL A-/Stable/CRISIL A1	470
473	Time Mauser Industries Pvt. Ltd.	Packaging - Metal, Plastic and Glass	CRISIL A/Stable/CRISIL A1	471
474	Tirumala Milk Products Pvt. Ltd.	Dairy Products	CRISIL A/Positive	472
475	Titagarh Wagons Ltd.	Engineering & Capital Goods	CRISIL A+/Positive/CRISIL A1+	473
476	TPL Plastech Ltd.	Packaging - Metal, Plastic and Glass	CRISIL A/Stable/CRISIL A1	474
477	Transmission Corporation of Andhra Pradesh Ltd.	Power Utilities	CRISIL A(so)/Stable	25
478	Tratec Engineers Pvt. Ltd.	Automobile Manufacturers - Commercial Vehicles	CRISIL A-/Stable/CRISIL A2+	475

479	Triton Valves Ltd.	Auto Components and Ancilliary	CRISIL A-/Negative/CRISIL A2+	476
480	U. P. Twiga Fiberglass Ltd.	Construction Material	CRISIL A+/Stable/CRISIL A1	477
481	Uni Gems (India) Pvt. Ltd.	Gems & Jewellery - Diamond Polishing	CRISIL A-/Stable	478
482	United Shippers Ltd.	Air/Shipping Freight & Logistics	CRISIL A+/Stable/CRISIL A1+	479
483	Universal Medicare Pvt. Ltd.	Pharmaceuticals - Formulation	CRISIL A+/Stable/CRISIL A1+	480
484	UTV Software Communications Ltd.	Media - Movies & Entertainment	CRISIL A+/CRISIL A1 (rating watch with positive implications)	481
485	V.S.T. Tillers Tractors Ltd.	Tractors & Farm Equipments	CRISIL A+/Stable/CRISIL A1+	482
486	Vadodara Municipal Corporation	Urban Local Bodies	CCR A-	483
487	Vaishali Traders Pvt Ltd	Diversified Real Estate Development	CRISIL A/Stable	484
488	Vardhman Nisshinbo Garments Company Ltd.	Textile - RMG	CRISIL A+/Stable/CRISIL A1	485
489	Varroc Engineering Pvt. Ltd.	Auto Components and Ancilliary	CRISIL A/Stable/CRISIL A1	486
490	Varroc Exhaust Systems Pvt. Ltd.	Auto Components and Ancilliary	CRISIL A/Stable	487
491	Varroc Polymers Pvt. Ltd.	Auto Components and Ancilliary	CRISIL A/Stable/CRISIL A1	488
492	Varun Beverages Ltd.	Soft Drinks	CRISIL A/Stable/CRISIL A1	489
493	Vasanth & Co	Traders	CRISIL A-/Stable	490
494	Veljan Denison Ltd.	Industrial Machinery and Consumables	CRISIL A-/Stable/CRISIL A2+	491
495	Venture Infotek Global Pvt. Ltd.	Data Processing & Outsourced Services	CRISIL A-/Stable/CRISIL A2+	492
496	VIP Industries Ltd.	Housewares & Specialties	CRISIL A+/Stable/CRISIL A1	493
497	Virchow Laboratories Ltd.	Pharmaceuticals - Bulk Drugs	CRISIL A+/Stable/CRISIL A1+	494
498	Visakha Hospital & Diagnostic Ltd.	Health Care - Hospital	CRISIL A+/Stable	495
499	Volkswagen Group Sales (I) Pvt. Ltd.	Automobile Manufacturers - Passenger Car	CRISIL A+/Positive/CRISIL A1	496
500	Volkswagen India Pvt. Ltd.	Automobile Manufacturers - Passenger Car	CRISIL A+/Positive/CRISIL A1	497
501	Vossloh Beekay Castings Ltd.	Industrial Machinery and Consumables	CRISIL A/Stable/CRISIL A1	498
502	Wacker Chemie India Pvt. Ltd.	Distributors	CRISIL A/Stable	499
503	Walchandnagar Industries Ltd.	Engineering & Capital Goods	CRISIL A+/Positive/CRISIL A1+	500
504	Western India Forging Pvt Ltd	Industrial Machinery and Consumables	CRISIL A-/Stable/CRISIL A2+	501
505	Western MP Infrastructure and Toll Roads Pvt. Ltd.	Highways Tolling	CRISIL A-/Stable	502
506	WMI Cranes Ltd.	Engineering & Capital Goods	CRISIL A-/Positive/CRISIL A2+	503
507	Zagdusingh Charitable Trust	Education Services	CRISIL A-/Stable	504

Note 505



‘CRISIL A’- rated companies display healthy credit quality

CRISIL believes that its 'CRISIL A'-rated companies present an attractive but untapped investment opportunity for capital market investors. These companies have displayed healthy credit performance over the past decade as reflected by the following indicators:

- Better 1-year stability rates in the past decade (2001-11)
- Upward transition bias in the past decade (2001-11)
- Ability to sustain business cycles
- Prudent capital intensity management and working capital management
- Improving ability to attract capital
- Improving capital structure and stable profitability
- Strong management competency with a track record
- Support from well-established groups

Surge in number of 'CRISIL A'-rated companies across diverse sectors

With the introduction of bank loan ratings, there has been a significant growth in the number of companies in the ‘CRISIL A’-rated category as indicated in Chart 1. The portfolio of ‘CRISIL A’-rated companies shows no sectoral bias and offers a diversified menu spread across different sectors in the economy (Refer Chart 2). Industrials and consumer discretionary constitute nearly 60 per cent of the ‘CRISIL A’-rated category. Within industrials, capital goods companies constitute a significant portion (75 per cent). Among the consumer discretionary companies, auto, consumer durables and apparels constitute a significant portion (60 per cent). The total debt of ‘CRISIL A’-rated companies is Rs.1.8 trillion for the year 2011[1] and includes a mix of bank debt, external commercial borrowings and commercial paper.

Chart 1: Explosive growth in number of ‘CRISIL A’-rated companies

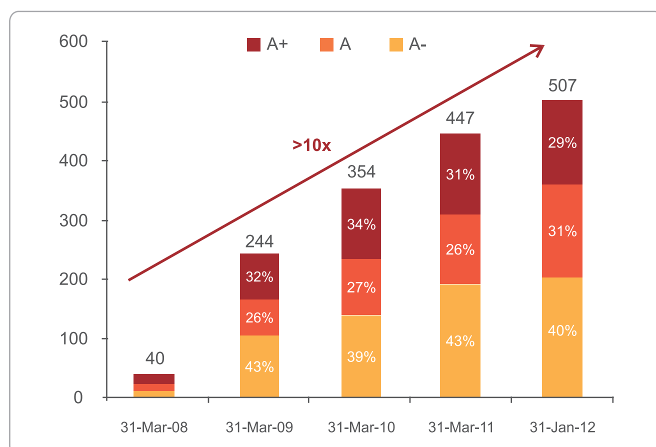
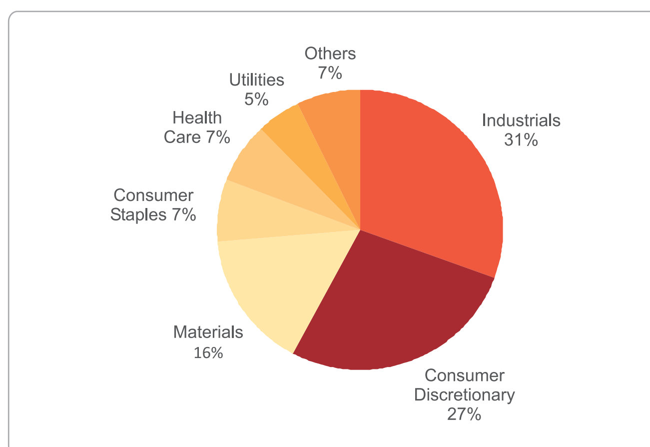


Chart 2: ‘CRISIL A’-rated portfolio includes diverse sectors



[1] *Includes a mix of companies that follow fiscal year (April 01 to March 31) and calendar year (Jan 01 to Dec 31) accounting period.*

Improving stability rates[2] among 'CRISIL A'- rated companies

The one-year stability rate of 'CRISIL A'-rated papers has improved significantly to 90.8 per cent over the past decade (2001-2011) from 82.3 per cent between 1988-2001 (Refer Chart 3). Also 85 per cent of 'A'-rated players as of January 2012 have a stable outlook.

Chart 3: Improving one-year stability rates for 'CRISIL A'-rated paper

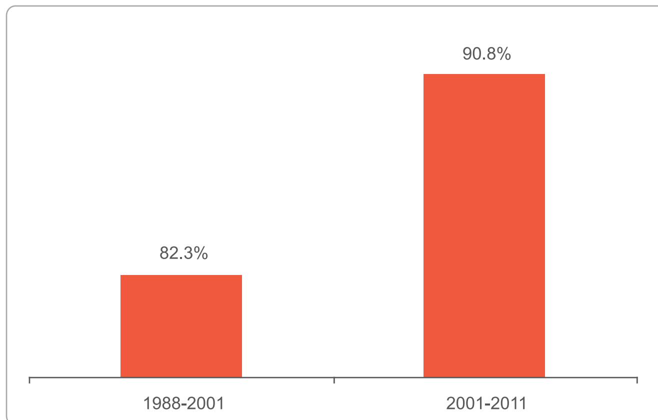
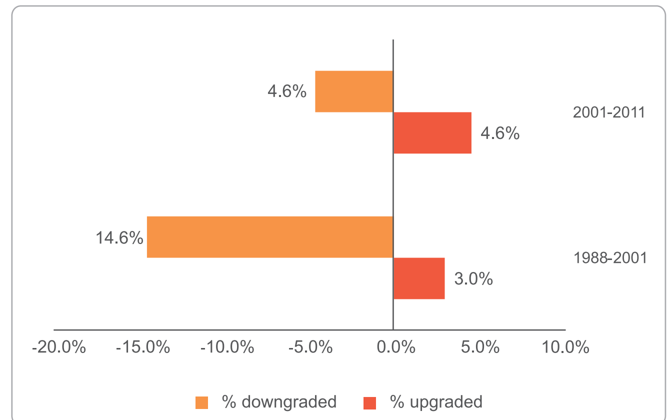


Chart 4: Upward bias in transition rates for 'CRISIL A'- rated papers



Upward bias in one-year transition rates[3] of 'CRISIL A'- rated papers

The one-year transition rate of 'CRISIL A'-rated papers reflects a consistent upward bias. Nearly 4.6 per cent of the outstanding 'CRISIL A' category ratings were upgraded to 'AA' between 2001 and 2011, as against an average 3.0 per cent between 1988 and 2001. At the same time, the proportion of downgrades has fallen to 4.6 per cent from 14.6 per cent. (Refer Chart 4).

A significant portion of the upgrades was driven by healthy improvement in business risk profile resulting in organic correction in gearing. A small portion of the upgrades was also driven by equity infusion or strong support from the parent. This indicates that in a growing economy, 'CRISIL A'-rated companies are displaying strong traction in terms of acquiring scale as well as the ability to attract capital from the markets.

The following examples capture the key reasons for upgrades in 'CRISIL A'-rated companies:

- **Improvement in business risk profile:** Rating upgrades on **Apollo Gleneagles Ltd** *(rated 'CRISIL A/Stable/CRISIL A1')* in July 2011 and **Joyalukkas India Ltd** *(rated 'CRISIL A/Stable/CRISIL A1')* in December 2011 were driven by a healthy improvement in their business risk profiles. While Apollo Gleneagles Ltd (474 beds hospital in Kolkata, West Bengal) witnessed a significant increase in occupancy rates, revenue per bed, and steady improvement in operating profitability, resulting in a substantial improvement in financial risk profile, the rating upgrade on Joyalukkas India Ltd was driven by its ability to internally fund its showroom expansions without affecting its capital structure.

- **Equity infusion:** The ratings on **Ashoka Buildcon Ltd** *(rated 'CRISIL A+/Stable/CRISIL A1')* was upgraded in January 2011 because of the improvement in its financial risk profile following equity infusion of Rs. 2.25 billion through an initial public offering(IPO).

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[2] *Stability rates indicates probability of ratings remaining unchanged over given time horizon*
[3] *Transition rates indicate probability of change in credit rating over specified period*

- **Parent support:** The ratings on **Volkswagen India Pvt Ltd** *(rated 'CRISIL A+/Positive/CRISIL A1')* factor in strong support from the parent and the upgrade in November 2011 was driven by the improvement in credit risk profile of the parent. The 'Positive' outlook factors in the expectation that the company will receive further support from the parent in the form of equity infusion. **Tata Sky Ltd** was upgraded to *'CRISIL A/Stable/CRISIL A1'* in December 2010 because of its ability to significantly scale up subscribers, driven by the strong support from Tata Sons Ltd *(rated CRISIL AAA/FAAA/Stable/CRISIL A1+)*. Tata Sky Ltd received a total equity infusion of Rs.6.2 billion since April 2009 to fund its cash losses while maintaining lower-than-expected debt.

Downgrades among ‘CRISIL A’- rated players were predominantly driven by their susceptibility to demand slowdown in end-user segments or deterioration in industry trends. This is because of revenue concentration client or segment of ‘CRISIL A’- rated companies and moderate bargaining power. Another important driver for downgrade among ‘CRISIL A’- rated players was change in the credit risk profile of the parent.

The following examples capture the key reasons for downgrades in ‘CRISIL A’-rated companies:

- **Demand slowdown in end-user industry:** Auto component players face pricing and off-take pressures from the original equipment manufacturers (OEMs) during a slowdown. Hence, they were severely affected during the economic downturn in 2008-09 (refers to financial year, April 1 to March 31). Instances include **Gabriel India Ltd** *(rated 'CRISIL A/Stable/CRISIL A1'),* **TACO Hendrickson Suspensions Pvt Ltd** *(rated 'CRISIL A/Stable/CRISIL A1').* The ratings of these players have recovered substantially with the improvement in demand from the auto sector, prudent capital spending and working capital management.

- **Weak industry trends: Nahar Spinning Mills Ltd** *(rated 'CRISIL A/Stable/CRISIL A1')* is one of the largest players in the intensely competitive cotton spinning industry in India. Its rating was downgraded in December 2011 mainly because of the expected pressure on its profitability because of the slowdown in cotton yarn demand and prices. However, the ratings continue to be supported by Nahar spinning Mills' established market position, integrated operations, and presence across the value chain.

- **Weakening credit risk profile of parent:** The rating on **Fortis Hospital Ltd** *(rated 'CRISIL A-/Stable/CRISIL A2+')* factors in the support from its parent Fortis Healthcare Ltd. The key driver for the downgrade in its ratings on December 2011 was the deterioration in the credit risk profile of the parent following its proposed acquisition of Fortis Healthcare International Pte Ltd, largely funded through debt. Because of the strong linkages with the parent, the acquisition affected the credit risk profile of Fortis Hosptials Ltd, leading to a downgrade.

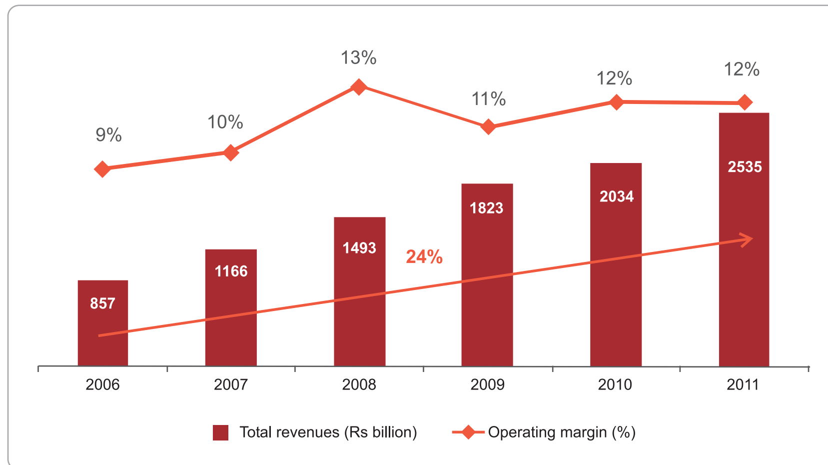
Key characteristics of ‘CRISIL A’- rated papers

Most of the ‘CRISIL A’-rated companies have demonstrated the ability to sustain through business cycles. Their key characteristics - business, management and financial risk profiles are discussed below:

Business risk profiles: Healthy revenue growth with resilient profitability

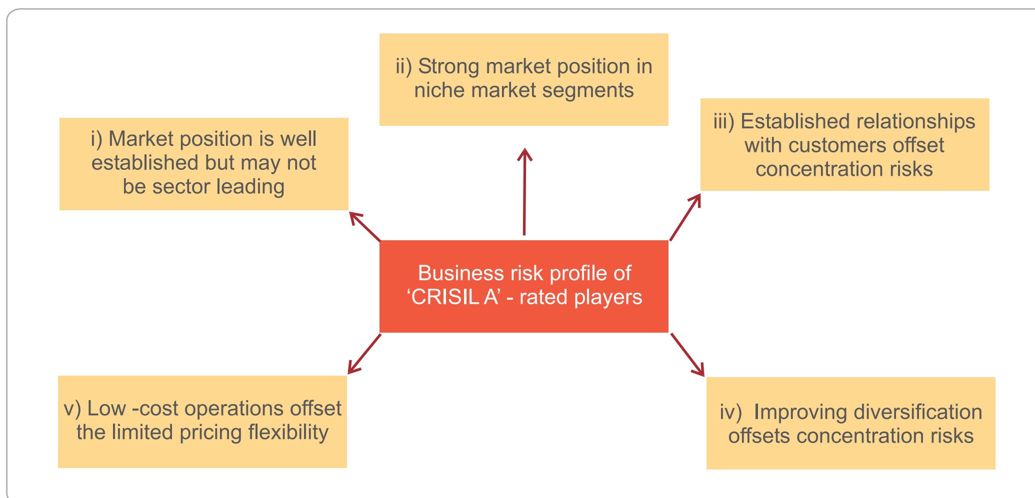
The business risk profile of ‘CRISIL A’-rated players is marked by their well-established market position and cost-efficient operations. Partly offsetting these business strengths are some degree of revenue concentration, moderate pricing power due to market position not being sector leading and moderate scale of operations, though most of these companies have achieved competitive scale.

Chart 5: Trends in operating metrics[4]

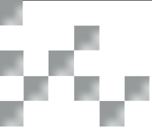


Trends over the past 5 years (Refer Chart 5) indicate that the revenue profile of 'CRISIL A'-rated companies has witnessed a healthy compound annual growth rate (CAGR) of 24 percent. Operating profitability for 'CRISIL A'-rated players, continued to be healthy, albeit with a moderate dip during the downturn. Their cost-efficient operations have enabled them to partly mitigate the effect of revenue concentration and limited pricing flexibility. Return on capital employed (RoCE) was healthy between 18 and 21 per cent. RoCE witnessed a fall of around 300 basis points (bps) during the 2008-09 downturn, not significant considering the severity of the downturn. The extent of the fall in RoCE was mitigated by the cost rationalisation measures adopted by 'CRISIL A' category players during the economic downturn.

Figure 1: Key business characteristics of 'CRISIL A'-rated players



[4] *The metrics are the aggregate trends of 'CRISIL A'-rated portfolio as of January 2012 for the past 5 years.*



i) Market position is well established but may not be sector leading

Typically 'CRISIL A'-rated players are marked by medium sized operations and although their market positions may not be sector leading, most of them are well-established players and have a long track record of operations.

- **Netafim Irrigation India Pvt Ltd** *(rated 'CRISIL A+/Positive/CRISIL A1+')* enjoys an established market position in the micro irrigation industry in India. It is one of the largest players with a market share of 15 to 20 per cent.

- **Care group of hospitals**[5] *(rated 'CRISIL A+/Stable/CRISIL A1')*: Set up in 1997, the group includes 10 entities across the healthcare value chain. It is an established player with a strong market position in the tertiary healthcare segment in the hospitals business.

- **Siyaram Silk Mills Ltd** *(rated 'CRISIL A/Stable/CRISIL A1')* has been in the fabrics business for over 30 years. It enjoys strong brand positioning in its key brands including Siyaram, Mistair and Featherz. Through these brands, it has established a sizeable market in the domestic synthetic fabrics business which is dominated by the unorganised sector.

- 'CRISIL A'-rated portfolio also includes sector leaders; for instance **VIP Industries Ltd** *(VIP; rated 'CRISIL A+/Stable/CRISIL A1')* is the world's fifth largest luggage manufacturer. In the economy segment, VIP is the leading player in India, with an established brand, and a market share of more than 75 per cent. In the premium segment, it has a market share of 15 per cent. VIP is the only major Indian brand in the intensely competitive organised luggage market.

- Many of 'CRISIL A'-rated players also own well-established brands such as Topaz (**Harbans Lal Malhotra and Sons Pvt Ltd**; *rated 'CRISIL A+/Stable/CRISIL A1+')*, *Deccan Herald* (**The Printers Mysore Pvt Ltd**; rated *'CRISIL A/Stable/CRISIL A1')*. Strong brands help them sustain a healthy market position.

ii) Strong market position in niche market segments

In some cases, they occupy pole position but in a niche segment.

- **V.S.T. Tillers Tractors Ltd** *(rated 'CRISIL A+/Stable/CRISIL A1+')* has been present for more than three decades in the farm machinery business. The company is not a major player in the tractor segment. However, it is the single largest player in the organised tiller market in India.

- **Piaggio Vehicles Pvt Ltd** *(rated 'CRISIL A+/Stable/CRISIL A1+')*, a wholly owned subsidiary of Piaggio & C Spa, Italy, may not have a strong market position in the overall light commercial vehicles (LCV) segment. However, it is a niche player with a leading market position in the domestic three-wheeler segment.

- **Manugraph India Ltd** *(rated 'CRISIL A+/Stable/CRISIL A1+')* is a market leader in the niche single-width web offset printing machines segment.

- **Mahindra Rural Housing Finance Ltd** *(MRHFL; rated 'CRISIL A+/Stable/CRISIL A1+')* was set up in 2007, and is one of the early entrants to the niche segment of rural housing finance. While **Mahindra and Mahindra Financial Services Ltd** *(rated 'CRISIL AA+/FAAA/Stable/CRISIL A1+')*, a major stakeholder in MRHFL, caters to borrowers in semi-urban and rural areas, MRHFL intends to serve the untapped housing demand in similar geographies.

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[5] *CRISIL rated Care group of hospitals includes Visakha Hospitals and Diagnostics Ltd, Ganga Care Hospitals Ltd and Quality Care India Ltd*

iii) Established relationships with customers offset concentration risks

In general, 'CRISIL A'-rated players are susceptible to revenue concentration and risks related to end- user segment. They withstand revenue concentration risks through longstanding relationships with key clients.

- **GVK Biosciences Ltd** *(rated 'CRISIL A+/Stable/CRISIL A1')* is an integrated contract research organization (CRO) providing drug discovery and development services to innovator pharmaceutical companies. The company's 10 largest clients contribute around 60 per cent of its revenues. However, the customer concentration risks are mitigated by its established track record and long-term relationships with its clients. This is indicated by its client retention rate of 70 per cent over the past five years.

- **Hindustan Polyamides and Fibres Ltd** *(rated 'CRISIL A-/Positive/CRISIL A2+')*, part of the Mariwala group manufactures and exports aroma chemicals. With more than two decades of industry experience, the company has established relationships with the top four global flavour and fragrance players. These strong relationships enable it to mitigate the high customer concentration risks; its top three customers, account for more than 40 per cent of revenues.

iv) Improving diversification offsets concentration risks

A fair number of 'CRISIL A'-rated players also benefit from diversification, which adds stability to their revenue stream.

- **Rashtriya Chemicals and Fertilisers Ltd** *(rated 'CRISIL A+/Positive/CRISIL A1+')* benefits from the diversity in its revenue base, which includes fertilizers and industrial chemical products, among others. This diversity protects the company's profitability from unfavourable business conditions in any particular segment and adds to the stability of its cash flows.

- **Century Enka Ltd** *(rated 'CRISIL A+/Stable/CRISIL A1+')* manufactures industrial and textile yarn fabric and has a well-diversified product portfolio. Its key product segments include nylon-filament yarn and nylon-tyre-cord fabric, in which it ranks first and second in terms of market position. Other products include partially oriented yarn and polyester chips.

- **INOX India Ltd** *(rated 'CRISIL A+/Stable/CRISIL A1')* is a manufacturer of cryogenic tanks. In December 2009, the company acquired 70 per cent stake in Cryogenic Vessel Alternatives Inc, a US-based manufacturer of cryogenic transportation equipment. Post the acquisition, its market position was strengthened by the diversity of the product range and geographic spread.

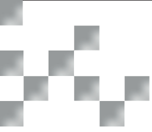
- **Luminous Power Technologies Pvt Ltd** *(LPT; rated 'CRISIL A+/Positive/CRISIL A1')* is one of the leading manufacturers of inverters, uninterrupted power supply (UPS) systems and batteries in India. In June 2011, Schneider Electric South East Asia (HQ) Pte Ltd acquired a 74 per cent stake in LPT for Rs.14 billion. The acquisition by a stronger parent will enable the Luminous group to leverage the relation with its parent company and enter the home electrical space resulting in a well diversified product portfolio.

v) Low-cost operations offset limited pricing flexibility

'CRISIL A'-rated players enjoy low cost operations which enables them to maintain their operating profitability and partly mitigate the limited pricing flexibility due to their moderate market position.

- **Titagarh Wagons Ltd** *(rated 'CRISIL A+/Positive/CRISIL A1+')* is an established wagon manufacturer. Its strong operating efficiency is supported by integrated operations, cost reduction initiatives, strong relationships with suppliers and a diverse revenue mix. This helps the company partially offset the low pricing power due to tender-based orders from Indian railways and intense competition due to low product differentiation.

- **Lanco Tanjore Power Company Ltd** *(formerly, Aban Power Company Ltd; rated CRISIL 'A+/Stable')* is an independent power producer with an installed capacity of 119.8 MW. The company enjoys a high operating efficiency with high plant availability factor of more than 95 percent since inception which enables the company to recover fixed costs from Tamil Nadu Electricity Board.



- **Amar Ujala Publications Ltd** *(rated 'CRISIL A/Stable/CRISIL A1'),* among the top four players in the Hindi newspaper business, has cost efficient operations because of economies of scale, owned facilities and adequate color printing capabilities. Its operating margin has improved substantially over the past three years to 17.3 per cent in 2010-11 from 13.7 per cent in 2007-08, because of high advertisement revenue growth and cost-efficient operations.
- **Eastern Condiments Pvt Ltd** *(rated 'CRISIL A/Stable/CRISIL A1'),* a leading player in spices, has healthy operating efficiencies, driven by its raw material sourcing network. Although, the company's operations have large inventory requirements, which are seasonal in nature, it has been prudently managing its working capital requirements, as reflected in its debtor levels of 20 days of sales as on March 31, 2011.

Financial risk profile: Prudent financial management lends financial stability

The financial risk profile of 'CRISIL A' category players is marked by moderate capital intensity and large working capital requirements. However, they prudently managed their working capital requirements and capital intensity during the economic downturn. Prudent capital management has enabled 'CRISIL A'- rated companies to maintain their capital structure. In addition, they have also displayed the ability to raise funds through multiple avenues. Their improving capital structure *(Refer Chart 6)* over the past five years reflects the above trends.

Chart 6: Trends in median gearing[6] for 'CRISIL A'- rated companies

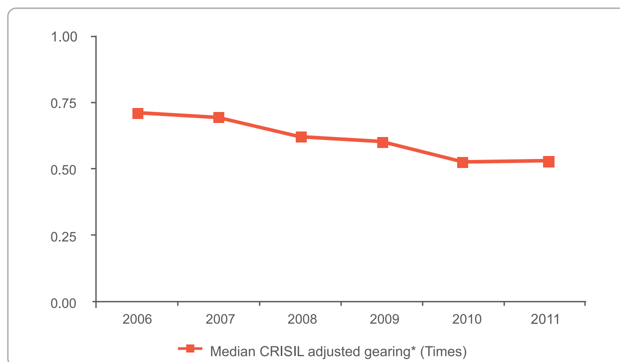
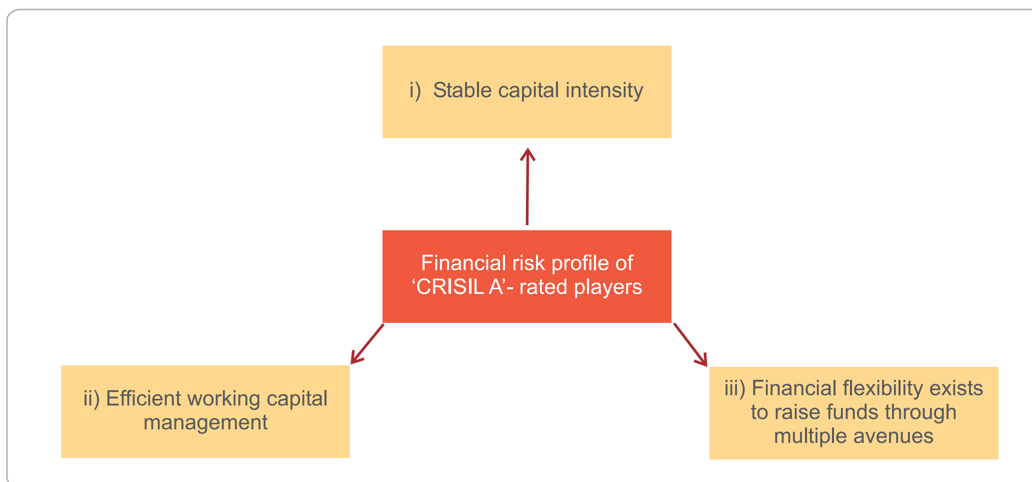


Figure 2: Key financial characteristics of 'CRISIL A'- rated players



[6] *The gearing trends of the 'CRISIL A'- rated portfolio as on January 2012 for the past five years were considered and the 50th percentile is taken as the representative of the year.*

i) Stable capital intensity

As 'CRISIL A'-rated players have moderate and expanding scale of operations, their operations are capital intensive and more dependent on external funding compared with higher rated players. However, 'CRISIL A'-rated players have been prudent in reducing their capital intensity during economic downturns. *(Refer Chart 7)*

For instance, **Sundaram-Clayton Ltd** *(rated 'CRISIL A+/Stable/CRISIL A1')* is an established auto ancillary player. In 2008-09, the company prudently reduced its capital expenditure between Rs.250 million and Rs.300 million per annum because of the fall in demand in the automobile industry. With revival in demand in 2010, the company increased its capital expenditure to Rs.400 per million per annum.

Chart 7: Trends in ratio of capital expenditure as a percentage of operating income

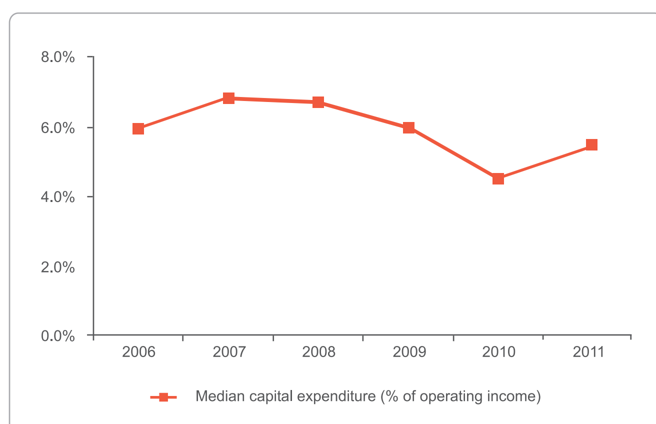
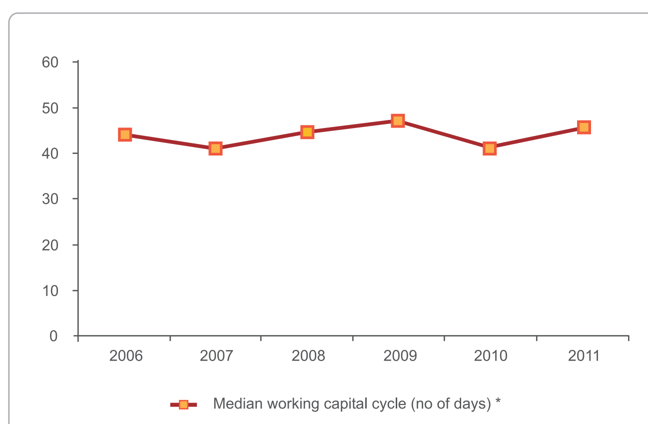


Chart 8:Trends in working capital days[7]



ii) Prudent working capital management

The operations of 'CRISIL A'-rated players are typically working capital intensive due to their moderate bargaining power. The working capital management of 'CRISIL A'-rated players is also more susceptible to variations in macroeconomic or end-user segments because of their moderate bargaining power and concentration risks. However, prudent working capital management has enabled them to tide over the downcyle in 2009. *(Refer Chart 8)*

For instance, the **Jasani group of companies**[8] *(rated 'CRISIL A-/Stable')* exports diamond and diamond-studded jewellery. The company exhibits efficient working capital management with working capital levels lower than the industry average. During the downturn, it was able to manage its receivables efficiently with minimal delays and limited untoward incidents of crystallisation of bills faced by other industry players. Efficient working capital management also reduces the group's susceptibility to volatility in prices of diamonds due to high inventory turnover.

iii) Financial flexibility to raise funds through multiple avenues

'CRISIL A'-rated players have displayed improving financial flexibility to raise equity through capital markets, foreign direct investments, qualified institutional placements and also through private equity. Nearly 20 percent of 'CRISIL A'-rated companies are listed entities. In order to improve their ability to raise capital, many 'CRISIL A'-rated companies have listing plans over the medium term.

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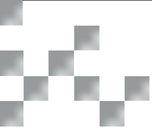
[7] *Working capital days = Debtor days + Inventory days - Creditor days*

[8] *CRISIL rated Jasani group of companies includes Jasani Jewellery, Dia Man Exports Pvt Ltd, Elegant Collection, Ratilal Becharlal & Sons, RB Jewellery Corporation and Uni Gems (India) Pvt Ltd.*



- **PVR Ltd** *(PVR; rated 'CRISIL A+/Stable')* is a strong player in the film exhibition business. PVR's promoters have regularly raised funds through multiple avenues to fund their expansions. Between 2003 and 2011 PVR raised Rs. 3.54 billion of funds through private equity and an IPO.

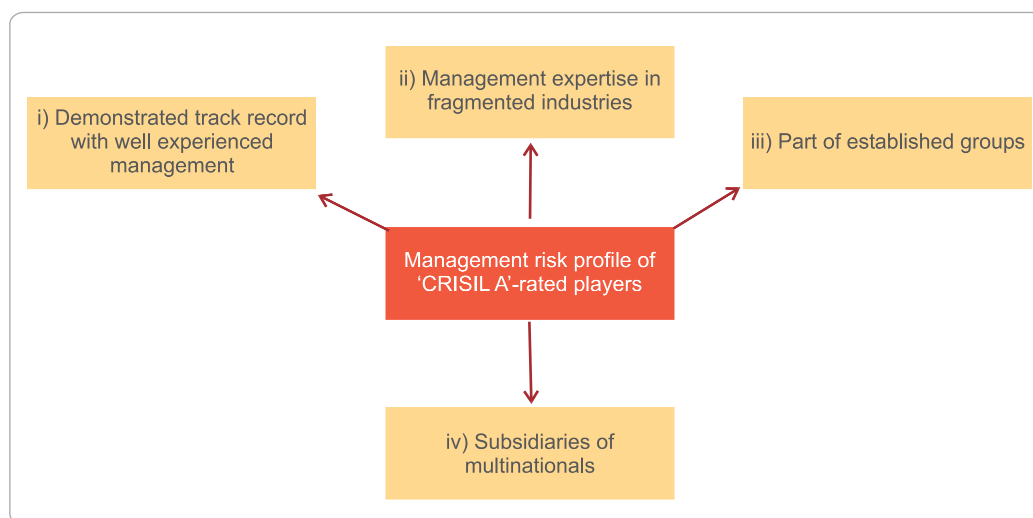
- **UTV Software Communications Ltd** *(UTV;rated 'CRISIL A+/A1; Rating watch with positive implications')* is a leading player in the media business spanning multiple segments. The company received Rs. 9.84 billion between 2006 and 2011 from the The Walt Disney Company (South East Asia) Pte Ltd. In 2011, UTV also received a proposal from Walt Disney to take over the public stake in UTV.

- **Ashoka Buildcon Ltd** *(rated 'CRISIL A+/Stable/CRISIL A1')* and **Ramky Infrastructure Ltd's** *(rated 'CRISIL A+/Stable/CRISIL A1')* financial flexibility improved significantly after the equity infusion of Rs. 2.25 billion and Rs.3.5 billion respectively through IPO.

Management competency: Demonstrated management track record

Management competency has been a key strength of 'CRISIL A'-rated players. Most of 'CRISIL A'-rated companies have an established track record and management with extensive industry experience. Management of some of the 'CRISIL A'-rated companies has strong expertise in fragmented industries. In addition, 'CRISIL A'-rated companies are part of established conglomerates such as the Tata group or subsidiaries of reputed multinationals.

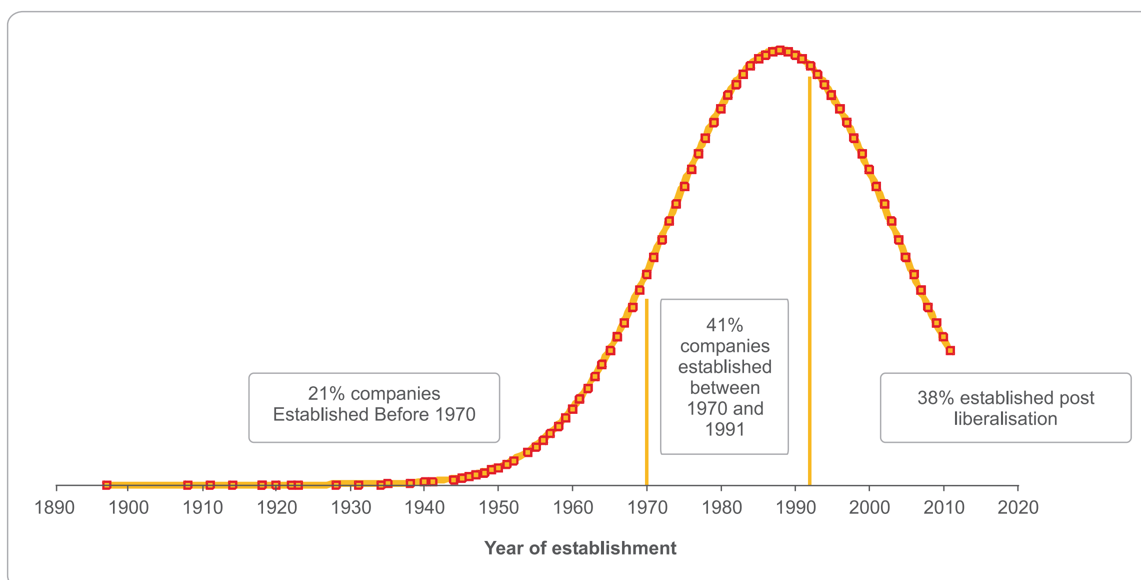
Figure 3: Key management characteristics of 'CRISIL A'-rated players



i) Demonstrated track record with well-experienced management

The management of 'CRISIL A'-rated players generally has extensive industry experience with an established track record of performance. This is indicated in Chart 9 with nearly 62 per cent of the companies having been established before economic liberalisation. The management of these companies has a demonstrated track record across business cycles with proven competency. This gives strong confidence that 'CRISIL A'-rated companies can manage external risk factors effectively.

Chart 9: Track record of 'CRISIL A'-rated portfolio



- **Camlin Ltd** (*Camlin; rated 'CRISIL A+/Stable/CRISIL A1'*) was set up in 1931 and the promoters the Dandekar family have built a strong brand image and wide distribution network. (In May 2011, Kokuyo & Co acquired a majority stake in Camlin). Camlin is one of India's strongest brands across the branded stationery product segments. Its strong market position is aided by its wide distribution network with 1500 distributors and a network of 1,50,000 retailers giving it a wide geographical presence across India.

- Established in 1918, **Lokmat Media Ltd** *(rated 'CRISIL A+/Positive/CRISIL A1+')* is one of the oldest publication companies. Its flagship publication Lokmat is the sixth largest read daily in India. It also enjoys a leadership position in Maharashtra in terms of readership and average net paid circulation

ii) Management expertise in fragmented industries

'CRISIL A'-rated player's include companies in fragmented industries such as healthcare, and infrastructure which require strong management competency. Companies in industries such as diamond jewellery have grown due to strong promoter expertise acquired over the years.

- **The Jasani group of companies** *(rated 'CRISIL A-/Stable')* was promoted by Mr. Ratilal Becharlal Jasani in 1966, with Ratilal Becharlal & Sons as the group's flagship firm, and is closely held by the Jasani family. The Jasani family has acquired significant expertise in the fragmented diamond export business. The overall administration of the group is managed by Mr. Ratilal Jasani's grandsons

- Set up in 1963, **DLF Ltd** *(rated 'CRISIL A/Negative/CRISIL A2+')* is one of the oldest and largest real estate players in India. The group's promoters have been in the business since 1946. DLF has strong brand equity and is reputed for quality of delivery. The company has so far sold around 50 million square feet (sq ft) of residential and commercial properties and has a portfolio of 25 million sq feet of total leased assets.

iii) Part of established groups

Several of 'CRISIL A'-rated companies are part of established business houses and share their management expertise. Being part of reputed conglomerates has enabled them to sustain through business cycles due to business, management, and financial support.

'CRISIL A'-rated companies that are part of large business conglomerates include

Group	Companies
Tata Group	**Tata Sky Ltd** (rated 'CRISIL A/Stable/CRISIL A1') **Tata Teleservices Ltd** (rated 'CRISIL A/Stable/CRISIL A1') **TACO Hendrickson Suspensions Pvt Ltd** (rated 'CRISIL A/Stable/CRISIL A1')
BK Birla Group	**Century Enka Ltd** (rated 'CRISIL A+/Stable/CRISIL A1+')
Fortis Group	**Fortis Hospitals Ltd** (rated 'CRISIL A-/Stable/CRISIL A2+')
Nahar Group	**Nahar Spinning Ltd** (rated 'CRISIL A/Stable/CRISIL A1')

Many of 'CRISIL A'-rated players are family-owned businesses and have a track record of controlling a group of companies as a single entity, managing them though a common pool of personnel, and pooling resources for marketing, finance and other activities.

- **The Premier group of companies**[9] *(rated 'CRISIL A+/Positive/CRISIL A1+')* setup in 1945, has grown into an established textile house in southern India. The group has eight entities across the textile value chain; these companies are present across sub segments and product ranges and are tightly integrated in terms of board constitution, raw material procurement and treasury management.

- **The Salarpuria Sattva group**[10] *(rated 'CRISIL A/Stable/CRISIL A1')* has been involved in the construction and development of real estate for the past 25 years. The group has more than 35 entities including the two flagship companies - Salarpuria Properties Pvt Ltd and Sattva Developers Pvt Ltd, which share common resources including a common management.

iv) Subsidiaries of multinationals

Around 10 per cent of 'CRISIL A'-rated players are subsidiaries of large multinationals. India being a high growth market, the Indian subsidiaries are strategically important to the multinationals. Hence, they provide strong business, management, and financial support in building the scale of domestic operations.

- Metro AG *(rated 'BBB/Stable/A2' by Standard & Poor's)* is the world's largest cash-and-carry operator with group sales of EUR67 billion in 2011. It established its presence in India through '**Metro cash and Carry India Ltd** *(MCCI; rated 'CRISIL A/Stable/CRISIL A1')* in 2001. Metro AG has infused equity of Rs.12.9 billion since inception in MCCI and it also guarantees its debt through unconditional and irrevocable guarantees. Cash and carry is a highly capital intensive industry and is highly fragmented industry in India. Metro AG's operational and financial support and management guidance have played a key role in building the Indian operations.

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[9] *CRISIL rated Premier group of companies includes Coimbatore Polytex Pvt Ltd, Premier Mills Pvt Ltd, Sree Narasimha Textiles Pvt Ltd, Premier Spinning and Weaving Mills Pvt Ltd, Prima Products Pvt Ltd, Premier Cotton Textiles, and Premier Fine Linens Pvt Ltd*

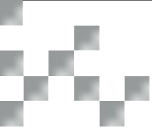
[10] *CRISIL rated Salarpuria Sattva group of companies includes Salarpuria Properties Ltd,Savitrimata Realtors Pvt Ltd,Quadro InfoTechnologies Pvt Ltd,Salarpuria Griha Nirman Pvt Ltd,Softzone Techpark Ltd,Greenage Griha Nirman Pvt Ltd,Bhojeshwar Realtors Pvt Ltd,Mascot Properties Pvt Ltd,Sattva Developers Pvt Ltd,Vaishali Traders pvt Ltd and Salarpuria Homes Pvt Ltd*

- Companies which are subsidiaries of large multinationals, also enjoy the strong management expertise of their parent companies. Their boards are constituted by foreign nationals with significant domain expertise. For example, **Benetton India Ltd** *(rated 'CRISIL A/Stable/CRISIL A1')* is a wholly owned subsidiary of the Italy-based Benetton group which owns global brands such as United Colors of Benetton, Sisley and Undercolors. Though daily operations are managed by Benetton India locally, its board of directors has representatives from the parent company and all strategic decisions are taken in consultation with the parent.

- Multinationals also display a high level of adaptability as they build their market position in the Indian business environment. Volkswagen AG *(rated 'A-/Stable/A-2' by Standard & Poor's)* is the world's second largest passenger car maker with group sales of EUR159 billion in 2011; it entered India through **Skoda Auto India Pvt Ltd** *(rated 'CRISIL A+/Positive')* in 1999. Subsequently in 2007, it introduced the Audi and Volkswagen brands through **Volkswagen India Pvt Ltd** *(rated 'CRISIL A+/Positive/CRISIL A1')* and **Volkswagen Group Sales India Pvt Ltd** *(rated 'CRISIL A+/Positive/CRISIL A1').* It has adapted its products significantly to the Indian markets and has been able to increase its market share to 6 per cent (for the 10 months through January 2011) in the intensely competitive domestic passenger car market. India is a strategic market for achieving Volkswagen AG's global vision of becoming the world's largest car maker. Hence, it continues to invest in the Indian subsidiaries.

Conclusion

The increasing number of companies and the sectoral diversity in 'CRISIL A'-rated portfolio provides a good insight into the profile of 'A'-rated companies. CRISIL believes that its 'A'-rated companies provide an attractive investment opportunity for raising debt from the capital markets. They enjoy better stability rates and have displayed an upward bias towards the higher rating category. This is because 'CRISIL A'-rated companies have demonstrated the ability to withstand cyclicality and the prudence to improve their financial risk profile during industry downturns. Competitive edges in business risk profile combined with management's ability to address risks and manage growth have encouraged CRISIL to recommend that these papers provide an exciting investment option for investors.



'CRISIL A' - rated credits offer higher risk-adjusted returns

Capital market debt issuances in 'A' category can benefit both investors and issuers: CRISIL

Executive Summary

The advent of bank loan ratings (BLRs) in 2007 has resulted in a considerable increase in the Indian market in the number of entities[1] with ratings in the 'A' category. This is a departure from the earlier trend, when ratings were confined to highly rated capital market debt issuances, given the investors' low risk appetite. The increasing number of entities in rating categories lower than 'AA' ('A' and 'BBB') has resulted in a corresponding increase in information available on these entities, and provides investors with a substantially enhanced base of credits.

CRISIL conducted a study on the performance of, and market yield offered by, companies rated in the 'CRISIL A' category. The study indicates that:

1. These entities have maintained healthy credit quality through numerous economic cycles – this should encourage debt capital market investors to increase their investments in entities rated 'CRISIL A' and lower.

2. The risk-adjusted returns available on 'CRISIL A'-rated instruments are superior to those offered by higher-rated categories. Three-year 'CRISIL A'-rated papers offer risk-adjusted returns of around 110 basis points as against 67 basis points for ' AA'-rated credits.

3. A portfolio-based approach to investing in 'CRISIL A'-rated exposures can generate attractive risk-adjusted returns for debt capital market investors. To benefit from this opportunity, investors should expand their investment horizon, and look beyond their current favourites in the 'AA' and 'AAA' categories.

In this article, CRISIL demonstrates the advantages of 'CRISIL A' category ratings for both investors and issuers.

Bond market issuances concentrated in higher rating categories

Traditionally, issuances in the corporate bond markets have been concentrated in the higher rating categories in instruments rated 'AA-' and above. This was due to a number of factors, including investor appetite, scarce liquidity in the secondary markets, and paucity of credit performance data on lower-rated credits.

- Chart 1 indicates the skewed distribution of corporate bond issuances in the past five years – instruments rated 'AA' and higher constitute more than 90 per cent of total bond issuances each year.

- Importantly, however, while instruments rated 'A' and 'BBB' constitute a mere 10 per cent of bond issuances, their number has been increasing in the past four years.

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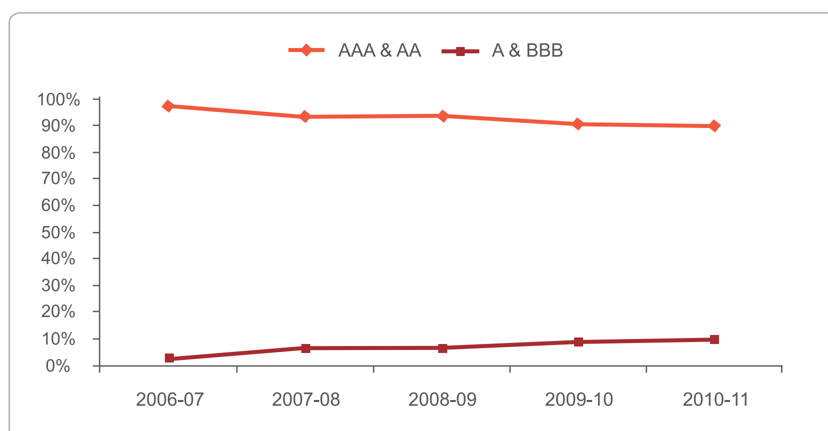
[1]Entities refers to public and private limited companies, partnership firms, trusts, and sole proprietorships.

Chart 1: Ratings distribution of new bond issuances



As Chart 1 indicates, investors were, till recently, wary of investing in lower-rated debt instruments. The low-rated entities have, therefore, had to rely on bank loans to meet their funding needs. This was on account of the following three factors:

1. **Stringent internal investment guidelines and regulations:** Major investors (such as bank treasuries, insurance companies, and mutual funds) in the bond market restricted investments to the higher-rated bonds owing to strict internal or regulatory guidelines.

2. **Limited information availability in the past:** The investors' risk aversion was also on account of paucity of information on lower-rated entities. Given that low ratings precluded access to the bond markets, low-rated entities seldom accepted the rating – therefore, information on their performance and credit quality was not available to the investors. Even investors looking to diversify their portfolios had very limited options, given that the number of 'A'-rated entities was few. This paucity of reliable information on the credit performance of lower-rated entities led to hurdles in fair pricing of debt instruments.

3. **Ease of access of bank funding:** Furthermore, Indian corporates were comfortable raising loans from banks and term-lending institutions – this was considered simpler than accessing the bond markets. Additionally, the corporates had long-standing relationships with banks, and were relatively at ease interacting with a single bank, as against interacting with a potentially large number of investors in the case of bond issuances.

   The impact of paucity of information has now been mitigated by the wide coverage of CRISIL's ratings. Additionally, Securities and Exchange Board of India (SEBI) has simplified disclosure norms for corporates issuing debt securities, significantly easing the process. Though regulations pose some restrictions on investments in lower-rated papers, insurance company regulations permit investments in securities rated below 'CRISIL AA'.

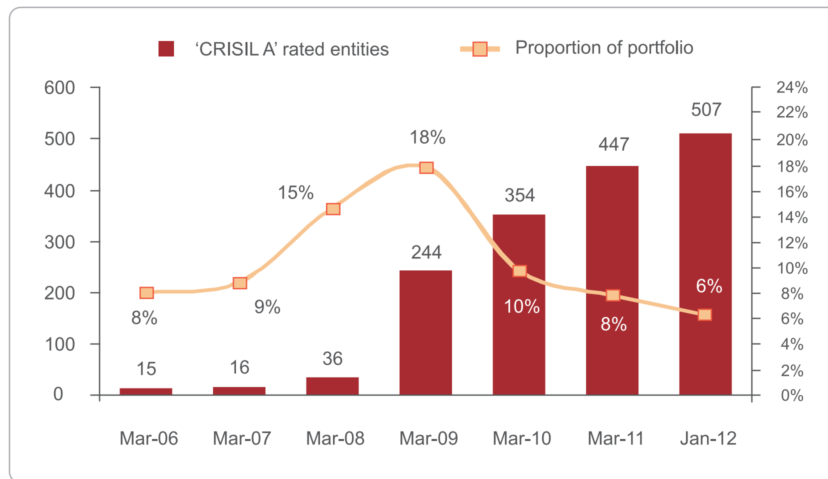
Higher number of low-rated entities increases issuer base; enables information access to a larger set of borrowers

CRISIL has been assigning BLRs since June 2007, following the Reserve Bank of India's (RBI's) announcement (in April 2007) of the prudential guidelines for implementation of the new capital adequacy framework for banks (also known as BASEL-II). The guidelines require banks to link the capital they maintain on credit exposures to the external credit ratings on these exposures. CRISIL's portfolio of outstanding ratings has increased significantly in recent years – to 8289 ratings as on January 31, 2012, from 344 as on March 31, 2007. The portfolio's composition has also changed significantly in recent years, with more than 25 per cent of ratings being in the 'CRISIL A' and 'CRISIL BBB' categories

as on January 31, 2012, up from 12 per cent as on March 31, 2007.

This change in the quantum and composition of CRISIL's rated portfolio has resulted in an enhanced issuer base, and a wider choice for investors, especially in entities rated 'CRISIL A' and lower. For instance, the number of 'CRISIL A'-rated entities increased to 507 as on January 31, 2012 (see Chart 2) from 16 as on March 31, 2007. Major investors, such as banks and mutual funds, can, therefore, appropriately diversify and optimise their debt portfolio in the lower categories, given the increased number of options they now have to choose from.

Chart 2: Increase in number of 'CRISIL A' rated entities



'CRISIL A'-rated credits maintain healthy credit quality

The financial performance of 'CRISIL A'-rated entities over time should instil enough confidence among investors to begin investing in these entities' debt instruments as well.

The strong performance is visible in:

a) Improving default rates in the past decade
b) Better stability rates in recent years
c) Stronger median debt protection measures

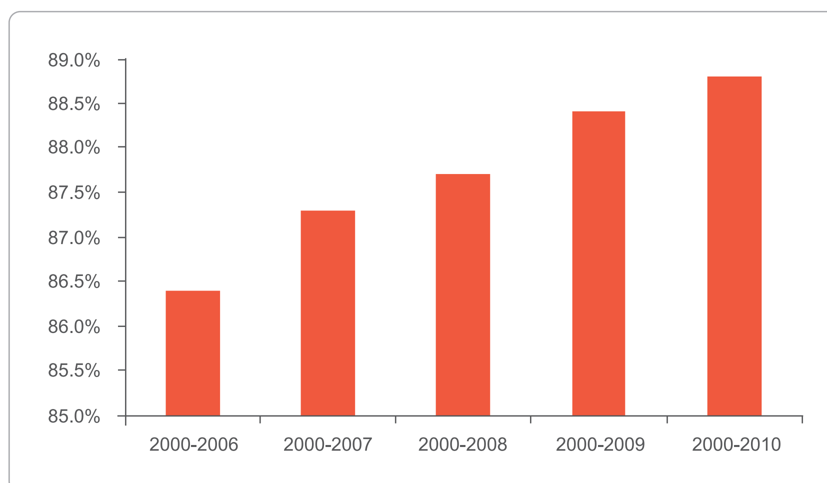
These entities have been in existence for more than two decades, and have withstood several business cycles while improving their performance over this period. Their long-standing relationships with bankers also emphasise the fact that the bankers are comfortable lending to these entities. This is underlined by the low default rates of these entities; the default rates have reduced significantly during the last decade (2000-10) as compared with the period between 1987-88 and 2009-10, as Table 1 indicates.

Table 1: Average default rates for 'CRISIL A' rating category over different periods

Default Rate →			
Period ↓	1-Year	2-Year	3-Year
2000-2010	0.30%	0.79%	1.42%
1988-2010	0.93%	3.98%%	8.39%

On an average, the financial risk profiles of 'CRISIL A'-rated borrowers have remained stable, and even improved, in recent years. This is evident from the trend in stability rates of 'CRISIL A'-rated credits over time as Chart 3 illustrates.

Chart 3: Stability rates of 'CRISIL A' ratings



CRISIL's experience with rating such entities shows that they have strong debt protection metrics and can offer attractive avenues for investors in the capital market, as is evident from the medians of financial parameters for such entities shown in Table 2. The table captures the medians of various financial parameters of two different sets of entities rated in the 'CRISIL A' category – the first set comprising companies rated in 2005 and the second set comprising entities rated as on January 31, 2012.

Table 2: Movement in medians[2] of financial ratios

Ratios	Unit	As on Jan 1, 2005	As on Jan 31, 2012
Networth	Rs. Cr.	103	103
Gearing	Times	0.9	0.5
NCA/TD	%	24	32
Interest Coverage	Times	4.3	7.9
Current Ratio	Times	1.3	1.4
PAT Margins	%	5.4	6.0

The financial medians indicate that entities rated in the 'CRISIL A' category have strong debt protection metrics and offer attractive avenues for investments. Most of these companies have demonstrated ability to manage risks arising out of the competitive business environment, as well as the lower financial flexibility available to them, in comparison with higher-rated entities. A large proportion of these companies also have an established business position, and a leading presence in niche segments. The median trends over the years indicate improvement in their performance. A key driver of the financial risk profiles of these entities is the adequacy of cash flows from operations to meet their financial obligations. CRISIL believes that all these factors make 'CRISIL A'-rated credits an optimal investment avenue for investors.

[2] *Medians are the value at the 50th percentile.*

'CRISIL A'-rated papers tend to offer higher risk-adjusted returns

Due to the disproportionate concentration of investments by Indian capital market investors in the higher-rated categories, their portfolios may offer sub-optimal returns owing to the low spreads earned especially from 'AAA'-rated instruments. This is accentuated by the fact that capital market investors in India (unlike their international counterparts) do not invest in lower-rated instruments which can give them higher returns. The primary reason for this skewed investment policy is the higher risk perception for lower-rated entities due to the lower level of information available for such entities in the public domain and paucity of lower-rated entities to choose from. However, there are opportunities for investing in the debt markets, which would provide higher returns even after adjusting for the higher risk exposure.

CRISIL has conducted a study on market yields[3]. The study reveals that there are opportunities to earn higher returns without being exposed to higher risks. CRISIL's analysis has quantified the risk of default for each rating level and computed the credit risk premium for the instruments. The credit risk premium on debt instruments is a function of the credit rating of the instrument, the loss-given-default[4] of the instrument, the observed default rates for the given rating level over the investment period, the cost of capital for the investor, and the risk-free rate of return.

Based on the framework for computing the indicative credit risk premium and using the economic capital approach (see Box 1: Illustration), CRISIL's analysis indicates that a credit risk premium of almost 104 basis points[5] (bps) for the three-year 'CRISIL A'-rated security over the risk-free return is sufficient to cover the expected and unexpected losses.

Box 1: Illustration: Consider the following example.

Assume that an investor has a corpus of Rs.10 billion, which is invested in 100 'CRISIL A'-rated bonds with a face value of Rs.100 million each. Each bond has bullet redemption and tenure of three years. LGD = 75 per cent, risk-free rate for a three-year G-sec = 8.4 per cent, and three-year default rate for an 'CRISIL A'-rated bond = 2.27 per cent.

Therefore, in a portfolio of 100 credits, even if 2 credits default in a three-year period, the returns from the other 98 credits will be adequate to cover the loss due to default.

Refer to the box on Methodology for more details. Based on the computation for credit risk premium, the following values are observed:

Total credit risk premium required to cover expected and unexpected loss	=	104 bps
The current risk premium offered by the market	=	214 bps
This means that the market offers a risk adjusted return of (214-104)	=	110 bps on a three-year 'CRISIL A' rated bond.

The current credit risk premium offered in the market for a three-year 'CRISIL A'-rated security is around 214 bps. This means that even after adjusting for additional credit risk, there exists an excess potential return of almost 110 bps available on three-year paper (see Chart 5). This suggests that the risk-adjusted returns on these papers are better than those offered by instruments rated in the 'AAA' or 'AA' category. This excess return more than offsets the liquidity risk which is one of the five major components of interest risk in the lower-rated instruments. (See Chart 4)

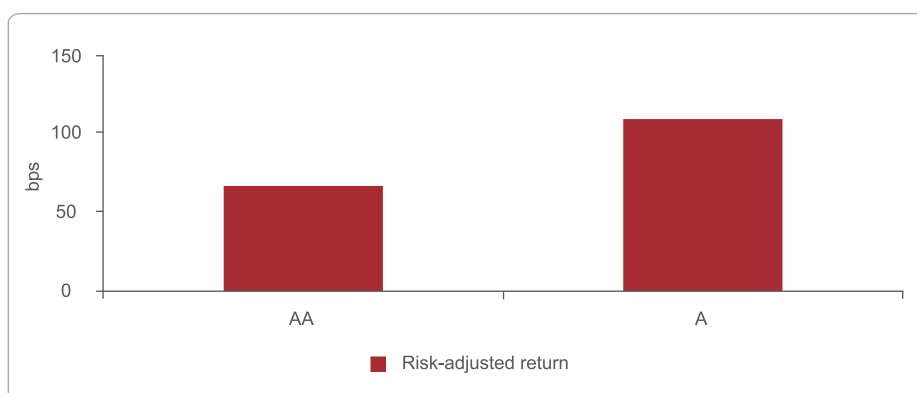
[3]Market yields refer to a three-month average of the daily quoted spreads in CRISIL bond matrix
[4]The ultimate loss to investors after factoring in the recovery from the underlying security
[5]100 bps equal one percentage point

Chart 4: Components of interest rate

The conclusions from the study are increasingly significant in the wake of increasing investor expectations of returns on their debt investments. One avenue for achieving better risk-adjusted returns would be to invest in higher-yield paper and, at the same time, ensure that the risk profile of the portfolio does not change materially. Therefore, it is important to ascertain the risk-adjusted return of investment options before investment.

The risk-adjusted return for a 'CRISIL A'-rated paper is even superior to the risk-adjusted returns of instruments rated in the 'AAA' and 'AA' categories. As shown in the above computations, there is an arbitrage opportunity for investors to improve their risk-adjusted returns by investing in lower-rated paper. Similarly, the excess risk premiums for various rating levels have been computed, and indicate the existence of substantial excess risk-adjusted returns that investors can earn (see Chart 5). Additionally, mutual funds can also increase their portfolio returns without significant increase in the overall risks of their portfolio.

Chart 5: Comparison of risk-adjusted return on 3-year paper



Benefits to issuers

The increased penetration of ratings and improvement in the investor appetite for 'A'-rated credits can enable issuers to diversify their sources of funding by accessing the capital market. Additionally, the implementation of the base rate regime may also result in issuers using capital market issuances to reduce their overall costs of borrowing, rather than relying solely on bank funding[6]. Furthermore, some investors in the capital market may also consider passing on benefits of the excess spreads to issuers through the pricing of the instrument. Therefore, issuers can diversify their funding sources and, at the same time, reduce the overall cost of funding by replacing bank loans with capital market issuances.

Conclusion

Though issuances and trading in the Indian corporate debt markets have been traditionally limited to higher rating categories, the increase in the number of entities in the lower rating categories has opened up new avenues for investments. Improved availability of information, healthy financial risk profiles, and enhanced issuer profiles in the middle-rating categories make this an exciting investment opportunity. The risk-adjusted portfolio returns offered by instruments rated in the 'CRISIL A' category compare favourably with those in the higher rating categories, such as 'AA' and 'AAA'.

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[6] *CRISIL's article 'Base rate regime to propel commercial paper issuance' gives a detailed analysis of the cost saving available to Indian corporates*

Annexure 1:

Regulatory capital versus Economic capital

The computations used in the study may be made using two approaches for the capital required for absorbing losses. Regulatory capital is the minimum capital required to be maintained by the regulator. In the study, the RBI's guidelines as per the BASEL-II norms have been used to arrive at the regulatory capital required. However, in the computations, CRISIL has assumed a capital adequacy ratio of 12 per cent of risk-weighted assets, which is the minimum that most Indian banks are likely to maintain on a steady-state basis, even though the regulations require them to maintain a minimum of 9 per cent. On the other hand, economic capital is usually that level of capital required for covering the investor's losses to ensure solvency. In other words, economic capital is that level of capital which will help investors remain solvent in a worst-case scenario, with a certain probability or confidence level. It is important to understand this distinction as economic capital is a more realistic representation of the capital required. Regulatory capital is important from a bank's point of view, whereas economic capital will be applicable for ascertaining the credit risk premium required for mutual funds and other investors, which do not have regulatory capital requirements.

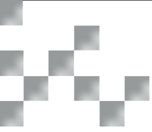
The study involves the use of both approaches to arrive at the risk-adjusted returns. However, the regulatory capital approach is more conservative, since the amount of economic capital to cover the unexpected losses is lower than the regulatory capital. Consequently, the excess credit premium arrived at on the basis of the regulatory capital approach will be even lower than the computations shown above. Importantly, however, even with the comparatively higher regulatory capital used as cushion against unexpected losses, excess risk-adjusted return is available for investors in 'CRISIL A'-rated paper.

Annexure 2:

Importance of portfolio approach

The findings of the study point to the fact that excess risk-adjusted returns may be earned by investing in 'CRISIL A'-rated credits. However, it is important to understand that risk-adjusted returns demonstrated in this article may be earned through a portfolio-based investment approach. The portfolio must be sufficiently granular to achieve optimum returns based on this principle. Large investments in only a few 'CRISIL A'-rated credits may not provide adequate cushion against unexpected losses. For instance, if an investor has a corpus of Rs.10 billion for investment, it is prudent to invest it in 100 'CRISIL A'-rated credits rather than investing it all in a single credit.

This approach of building a granular portfolio has been used by banks for a long time and has helped them tide over economic turmoil as the losses due to some exposures do not pose large-scale problems because of the offsetting returns offered by other exposures. Even mutual funds adopt the portfolio-based approach to investments, thereby ensuring that the risk of a single exposure is minimised and investors benefit from a diversified market exposure. Hence, a fairly diversified portfolio of credits is crucial to ensure that investors are able to take advantage of the risk-adjusted returns offered by 'CRISIL A'-rated credits.



Annexure 3:

Methodology

The default rate used in the study is based on the actual observed default rates on CRISIL's rating portfolio, which is fairly representative of the default behaviour among Indian corporates. The investment portfolio of a majority of investors will, therefore, reflect the same default behaviour, given that the portfolio is appropriately diversified.

Based on the above assumptions, the indicative credit risk premium may be computed as follows:

Step1: Assume that an investor has an infinitely granular portfolio of Rs.100 invested in several 'CRISIL A' rated instruments. In the first step, the investor has to be compensated for the expected losses (EL) from his portfolio. This can be computed by solving the following equation for EL:

$$\left[\sum_{i=1}^{n} \frac{100x(Rf + EL)x(1 - Di \; x \; LGD)}{(1+Rf)^{i}}\right] + \frac{100x(1 - Dnx \; LGD)}{(1+Rf)^{n}} = 100$$

Where Rf is the risk-free rate of return (the corresponding G-sec yield for the same maturity)
n is the tenure of the instrument
Di is the cumulative default rate of 'CRISIL A' for the year i
And LGD is the loss given default (assumed as 75 per cent)

Step2: In the next stage, the capital required to meet the unexpected losses is computed, as follows:

Ci = Cfi x (MaxDi x LGDm - Di x LGD)

where Ci is the capital required in the year i
MaxDi is the maximum default rate of 'CRISIL A', in the year i, observed by CRISIL in the past 10 years (used as a surrogate for the default rates expected at a certain confidence interval)
LGDm is the maximum LGD under stressed scenario (assumed as 100 per cent)
Di is the cumulative default rate of 'CRISIL A', in the year i
Cfi is the cash flow of the instrument, in the year i

Step3: Next, the compensation to the investor for bringing this additional capital has to be computed. This is done by using a cost of capital of 16 per cent for the capital estimated for each year till maturity, in the previous step.

Step4: The final indicative credit risk premium is computed by including this additional compensation for unexpected losses in the equation outlined in Step 1.

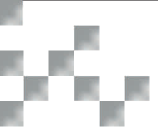
Annexure 4:

Explanation of ratios

$$\text{Gearing} = \frac{\text{Total Debt}}{\text{Tangible Net worth}}$$

$$\text{NCA/TD} = \frac{\text{(Net profit (PAT) + Depreciation - Dividends)}}{\text{Total Debt}}$$

$$\text{Interest Coverage} = \frac{\text{Profit before depreciation, interest and tax (PBDIT)}}{\text{Interest \& finance charges}}$$



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A.A. Autotech Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
29/Sep/2011	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at the rating, CRISIL has combined the business and financial risk profiles of A.A. Autotech Pvt Ltd (AAAPL) and ASK Automotives Pvt Ltd (ASK), together referred to as the ASK group.

Incorporated in 1988, ASK is promoted by Mr. K S Rathee and his wife, Mrs. Vijay Rathee. The company manufactures components mainly used in the two-wheeler drum braking systems, including friction material such as brake shoes, which contributes to around 60 per cent to the ASK group's total revenues. ASK also manufactures other aluminum pressure die-casted and machined components, such as brake panels, crank cases, and hubs, which account for the remaining of the revenues. The company's manufacturing activities are carried out from its five manufacturing units located in Gurgaon (Haryana) and one unit in Haridwar (Uttrakhand). ASK has a total production capacity of around 70 million brake shoes per annum and 400 tonnes per month (tpm) of pressure die castings.

AAAPL started operations in January 2011 and manufactures pressure die casted (PDC) components. AAAPL manufactures small and heavy components mainly for the two-wheeler industry, with manufacturing capacity of 1000 tpm of castings. The Ask group's customer profile comprises all the leading original equipment manufacturers (OEMs) in the two-wheeler segment and Tier-1 component suppliers.

Rating Strengths

- Strong market position in friction material for two-wheeler segment, with healthy operating efficiency
- Strong financial risk profile

Rating Weakness

- High customer and end-user industry concentration in revenues

Outlook: Stable

CRISIL believes that the ASK group will continue to benefit over the medium term from its healthy market position in the two-wheeler friction material segment. The outlook may be revised to 'Positive' if the group scales up its operations substantially or achieves revenue diversity. Conversely, the outlook may be revised to 'Negative' if the ASK group undertakes a larger-than-expected debt-funded capital expenditure (capex), or if there is any pressure on its revenues and profitability, adversely impacting its financial risk profile.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Exposure to group entities
- Working capital management
- Ramp-up in revenues and profitability

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	3,232	2,108	1,651
OPBDIT	480	327	233
PAT	305	182	120
Tangible Networth	1,222	763	580
Total Debt	462	133	109

OPBDIT Margins (%)	14.8	15.4	14.0
Net Profit Margins (%)	9.4	8.5	7.2
Interest cover (times)	18.63	36.32	9.79
NCA / Total Debt times)	0.75	1.59	1.32
Gearing (times)	0.38	0.17	0.19
Total Debt / PBDIT (times)	0.96	0.41	0.47

AV Thomas and Co Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
16/Apr/2010	A		A1	Stable
19/Mar/2009	A-**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

AV Thomas and Co Limited (AVTCL), established in 1935, is part of the A V Thomas group of companies, which has interests in plantations, agricultural commodities, rubber, leather, bio-technology, solvent extraction, and software. AVTCL has two divisions: the consumer products division (CPD), and trading and logistics division. CPD is engaged in buying tea, processing the same, and selling it in packets under the brand name AVT.

The company also packs and sells a small quantity of coffee under the AVT brand. AVTCL sells its tea through wide network of distributors across Tamil Nadu, Kerala, Karnataka, Andhra Pradesh, and Orissa. CPD contributed around 56 per cent to the company's revenues in 2010-11. Activities under trading and logistics division (44 per cent of revenues in 2010-11) include trading of aluminium sheets (22 per cent), exports of natural rubber (10 per cent), and trading in rubber chemicals and other agro-based commodities (10 per cent). The company is also an authorised custom agent (2 per cent of revenues in 2010-11).

Rating Strengths

- Established presence in branded tea segment in South India
- Healthy financial risk profile, supported by strong liquidity

Rating Weaknesses

- Geographical concentration in revenues
- Susceptibility of revenues and profitability to fluctuations in commodity prices

Outlook: Stable

CRISIL believes that AVTCL will maintain its average business risk profile, supported by its leading position in the packaged tea segment in Kerala and second position in Tamil Nadu. The company's financial risk profile is expected to remain healthy over the medium term, supported by a debt-free balance sheet and strong liquidity. The outlook may be revised to 'Positive' if the company's revenue growth and profitability exceeds expectations. Conversely, any significant decline in business or profitability, large capital spending or acquisitions, or substantial exposure to group companies may result in a revision in the outlook to 'Negative'.

Key Rating Sensitivity Factors

- Sharp reduction in profitability
- Significant debt-funded capex or acquisitions
- Significant increase in exposure to group companies

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	4358	3475	3081
OPBDIT	314	266	203
PAT	200	169	128
Tangible Networth	716	571	485
Total Debt	31	-	-
OPBDIT Margins (%)	7.2	7.4	6.6
Net Profit Margins (%)	4.6	4.7	4.1
Interest cover (times)	166.72	351.17	125.52
NCA / Total Debt (times)	5.32	NM	NM
Gearing (times)	0.04	NM	NM
Total Debt / PBDIT (times)	0.10	NM	NM

Aarti Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
23/Feb/2011	A+		A1	Stable
6/Nov/2009	A		A1	Positive
18/Jul/2008	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profile of Aarti Industries Ltd' (Aarti's) and its subsidiaries, Aarti Health Care Ltd, Aarti Corporate Services Ltd, Alchemie Europe Ltd, and Shanti Intermediaries Pvt Ltd (subsidiary of Aarti Corporate Services Ltd), collectively referred to as the Aarti group.

Aarti, the flagship company of the group, manufactures organic and inorganic chemicals at its facilities in Vapi, Sarigam, and Jhagadia (all in Gujarat). It also manufactures active pharmaceutical ingredients (APIs) at its units in Tarapur and Dombivli (both in Maharashtra). Aarti's API facility in Tarapur has the approval of the US Food and Drug Administration. The group has a strong presence in benzene-based specialty chemicals. It also has a full-fledged research and development centre, recognised by the Department of Scientific and Industrial Research, Government of India. The other group companies are in similar lines of business. Aarti recently picked up a share of around 20 per cent in a real estate development project, in which the promoters and other associate companies together hold majority of the stake

Rating Strengths

- Established market position and healthy operating efficiency
- Diversified revenue profile, which offers stability to revenues

Rating Weaknesses

- Moderate financial risk profile
- Large working capital requirements; highly vulnerable to volatile raw material prices

Outlook: Stable

CRISIL believes that the Aarti group will maintain its strong market position and healthy operating margin over the medium term. Its financial risk profile is expected to steadily improve over the medium term, on the back of healthy accruals and modest capex plans. The outlook may be revised to 'Positive' in case of significant improvement in its financial risk profile. Conversely, the outlook may be revised to 'Negative' in case of significant decline in operating margin or a larger-than-expected debt-funded capital expenditure (capex) programme, leading to considerable deterioration in financial risk profile.

Key Rating Sensitivity Factors

- Efficacy of working capital management
- Impact of competition from Chinese imports
- Inability to pass on increase in raw material prices to end-users

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	12940	14430	8877
OPBDIT	2043	2513	1295
PAT	824	990	476
Tangible Networth	4549	3669	2981
Total Debt	4385	4836	4312
OPBDIT Margins (%)	15.8	17.4	14.6
Net Profit Margins (%)	6.4	6.9	5.4
Interest cover (times)	4.29	2.89	3.54
NCA / Total Debt (times)	0.24	0.24	0.16
Gearing (times)	0.96	1.32	1.45
Total Debt / PBDIT (times)	2.00	1.83	3.16

Aban Power Company Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Stable
Rating History				
1/Apr/2010	A+			Stable
20/Jan/2009	A**			Stable

***Initial Bank loan rating assigned*

Company Background:

Aban Power Company Ltd (Aban Power), based in Tamil Nadu and incorporated in 1997, is an independent power producer. It has a natural-gas-based combined cycle power plant with an installed capacity of 119.8 megawatts (MW). The plant, allotted through an international competitive bidding process, was established as a joint venture between Aban Offshore Ltd and Lanco Infratech Ltd (rated 'CRISIL BBB-/Negative/A3') at a project cost of Rs.4.08 billion.

Rating Strengths

- Strong financial risk profile, marked by low gearing, large net worth, and strong liquidity
- High operating efficiency, reflected in high plant load factor (PLF) and plant availability factor (PAF)

Rating Weaknesses

- Limited supply of natural gas
- Exposure to risks relating to weak counterparty—Tamil Nadu Electricity Board (TNEB, rated 'A- (SO)/Stable')

Outlook: Stable

CRISIL believes that Aban Power will maintain a stable operating performance, resulting in steady revenues, over the medium term. The outlook could be revised to 'Positive' if Aban Power improves its financial risk profile by repaying the debt, or if there is significant improvement in the credit risk profile of TNEB. Conversely, the outlook may be revised to 'Negative' if Aban Power undertakes a major debt-funded expansion project, adversely affecting its financial risk profile, particularly its liquidity, or in case TNEB defaults in its payments to the company.

Key Rating Sensitivity Factors

- Availability of natural gas in Kuttalam basin
- Credit quality of TNEB
- Support extended to group companies
- Debt-funded project

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1756	1998	2180
OPBDIT	920	1046	1226
PAT	448	481	713
Tangible Networth	3313	2865	2384
Total Debt	1727	2119	2244
OPBDIT Margins (%)	52.2	52.3	55.0
Net Profit Margins (%)	25.4	24.1	32.0
Interest cover (times)	6.48	3.96	7.25
NCA / Total Debt (times)	0.37	0.35	0.46
Gearing (times)	0.52	0.74	0.94
Total Debt / PBDIT (times)	1.65	1.93	1.73

ABC Bearings Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
30/Jun/2010	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

ABC Bearings Ltd (ABC), incorporated in 1961, is a manufacturer of tapered and cylindrical roll bearings having manufacturing operations at Bharuch, Gujarat. The company caters primarily to automobile original equipment manufacturers (OEMs) and also the after-sales market for auto bearings. ABC is engaged in the manufacture of tapered roller bearings (TRB), cylindrical roller bearings (CRB), and spherical roller bearings, with TRBs accounting for more than 80 per cent of total revenue for 2009-10. ABC is one of the main players in the TRB segment along with SKF India Ltd, Timken India Ltd, and NEI Ltd.

Rating Strengths

- Long association with domestic automotive OEMs and established presence in auto bearings market
- Healthy financial risk profile

Rating Weaknesses

- High product concentration with vulnerability to cyclical auto industry
- Working-capital-intensive nature of operations

Outlook:Stable

CRISIL believes that ABC will continue to benefit over the medium term from its strong position in the tapered roller bearing (TRB) market, driven by its established relationships with auto OEMs. The outlook may be revised to 'Positive' if ABC successfully stabilises its slewing bearing capacities and increases its presence in replacement market, lending more diversity to its revenue profile. Conversely, the outlook may be revised to 'Negative' if ABC's revenues or operating profitability decline, or if its debt levels increase more-than-expected owing to large working capital requirements or larger-than-expected debt-funded capital expenditure.

Key Rating Sensitivity Factors

- Successful diversification of revenue base
- Timely completion of slewing bearing unit, and stabilisation of unit's operations
- Working capital management

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2009	1605	1339
OPBDIT	446	286	254
PAT	283	205	62
Tangible Networth	1108	906	759
Total Debt	254	46	528
OPBDIT Margins (%)	22.0	17.7	18.8
Net Profit Margins (%)	13.9	12.7	4.6
Interest cover (times)	86.93	51.54	2.42
NCA / Total Debt (times)	0.96	4.10	0.17
Gearing (times)	0.23	0.05	0.70
Total Debt / PBDIT (times)	0.55	0.13	1.99

ACB (India) Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
16/Sep/2010	A+		A1	Stable
1/Oct/2009	A		A1	Positive
22/Jul/2008	A**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of ACB (India) Ltd (ACBIL) and its subsidiaries, Spectrum Coal and Power Ltd (SCPL), Aryan Ispat and Power Pvt Ltd (AIPPL), Aryan Energy Pvt Ltd (AEPL), Aryan Clean Coal Technologies Pvt Ltd (ACCTPL), and Kartikaye Coal Washeries Pvt Ltd (KCWPL). CRISIL has also combined the business and financial risk profile of group company, Global Coal and Mining Pvt Ltd (GCMPL), as a majority stake in it is owned by ACBIL and its promoters, and, being in same line of business-coal washing, it has business synergies with ACBIL. All these entities are together referred to as the Aryan Coal group.

The Aryan Coal group's promoters began operations with transportation and logistics services, and floated Sainik Transporters Pvt Ltd for transporting coal from Coal India Ltd's mines to end users. The promoters formed ACBIL in 1997 to cash in on the growth opportunities in coal beneficiation. SCPL, AEPL, and KCWPL are into coal beneficiation; ACCTPL manufactures washery equipment, primarily for in-house use by group companies, and AIPPL manufactures sponge iron. The other subsidiaries are currently non-operational, but ACBIL plans to execute power projects through them in future. ACBIL, its subsidiaries, and GCMPL have a combined coal beneficiation capacity of about 60 million tonnes per annum (mtpa). The group has, of late, ventured into power generation. ACBIL is setting up a 270 mega watt (MW) washery-coal-rejects-based power plant at Korba (Chhattisgarh). It also has plans to set up coal-based power plants of 600 MW and 1200 MW capacities in the next three to four years.

Rating Strengths

- Continued healthy operating performance and robust profit margin in coal-beneficiation business
- Established market position
- High operating efficiencies

Rating Weaknesses

- Large capex and investment plans
- Exposure to project-related risks

Outlook:Stable

CRISIL believes that the Aryan Coal group will generate healthy cash accruals over the medium term, supported by its established market position in the coal beneficiation sector, strong operating efficiencies, and healthy demand from its end-user segment, the power-generation industry. Also, the commissioning of the group's ongoing 270 MW coal-reject-based power plant project is expected to further improve its profitability. The outlook may be revised to 'Positive' if the group reports more-than-expected sales and profitability, most likely driven by timely stabilisation of its coal-reject-based power plant, further strengthening its financial risk profile. Conversely, the outlook may be revised to 'Negative' if the Aryan Coal group's financial risk profile weakens, most likely because of more-than-expected debt contracted for the projects or lower-than-expected profitability.

Key Rating Sensitivity Factors

- Group's investment in power generation projects and their funding
- Progress of 270 MW power plant
- Renewal of coal washing contracts

Financial Performance (ACBIL - Standalone)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	6341	7243	4588
OPBDIT	2632	3773	1544
PAT	1581	2326	653
Tangible Networth	11727	9678	6342
Total Debt	7937	6347	1734

OPBDIT Margins (%)	37.8	47.0	33.5
Net Profit Margins (%)	22.7	29.0	14.2
Interest cover (times)	10.73	17.12	8.57
NCA / Total Debt (times)	0.23	0.41	0.55
Gearing (times)	0.68	0.66	0.27
Total Debt / PBDIT (times)	2.78	1.56	1.01

Adani Power Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
30/Jun/2011	A-			Stable
7/Jun/2010	BBB**			Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has adopted a moderate integration approach with respect to Adani Power Ltd.'s (APL's) special purpose vehicles (SPVs) in power sector including Adani Power Maharashtra Ltd (APML, rated 'CRISIL BBB/Stable') and Adani Power Rajasthan Ltd (APRL, rated 'CRISIL BBB/Stable') as these are majority owned by APL and are in the same line of business. In line with the approach, CRISIL has factored in the equity and cost overrun support from APL to its power SPVs. Further, CRISIL has factored in a limited additional support from APL in the event of distress in the initial years of operations of SPVs.

APL, promoted by the Adani group, is a power project development company, which is developing, operating and maintaining, power projects in India. APL is executing the coal based 4620 mega watt (MW) Mundra project in Gujarat in four phases: Phase I of 660 MW (two units with capacity of 330 MW each), Phase II of 660 MW (two units with capacity of 330 MW each), Phase III of 1320 MW (two units with capacity of 660 MW each), and Phase IV of 1980 MW (three units with capacity of 660 MW each). Of this, 1980 MW comprising Phase I, Phase II and Unit I of Phase III capacity is presently operational. In June 2011, APL has synchronised the 660 MW Unit II of Phase 3. APL is also implementing a 3300 MW project in three phases in Tiroda (Maharashtra) under APML, a 74 per cent SPV of APL, and a 1320 MW power project in Kawai (Rajasthan) under its 100 per cent SPV APRL.

APL's projects under planning stages include a 2640 MW power project in Dahej (Gujarat) under its 100 per cent subsidiary, Adani Power Dahej Ltd (APDL), a 1320 MW power project in Chhindwara (Madhya Pradesh) under its 100 per cent subsidiary, Adani Pench Power Ltd, and a 3300 MW power project in Bhadreshwar (Gujarat).

Rating Strengths

- APL's demonstrated track record in project execution
- Presence of Adani group in various segments of power value chain
- Substantial tie-ups for fuel supply for projects
- Revenue visibility provided by long-term power purchase agreements

Rating Weaknesses

- Exposure to risks inherent in project implementation
- Aggressive capital expenditure (capex) plans
- Weak financial risk profiles of off-takers

Outlook: Stable

CRISIL believes that APL's new projects will progress and stabilise as per schedule. The outlook may be revised to 'Positive' if project implementation risks reduce significantly from current levels. Conversely, the outlook may be revised to 'Negative' if APL's cash flows are adversely affected by slippages in project implementation and stabilisation of its units; low capacity utilisation because of unexpected plant outages, larger-than-expected debt-funded capex, or delays in receiving payments from its offtakers also will have a negative bias on the outlook.

Key Rating Sensitivity Factors

- Time and cost overruns in projects
- Counterparty credit risk profile
- Incremental debt contracted for supporting power SPVs

Financial Performance (Standalone)

Rupees Million	31-Mar-10
Net Sales	4349
OPBDIT	2609
PAT	1153
Tangible Networth	57983
Total Debt	97491

OPBDIT Margins (%)	60.0
Net Profit Margins (%)	26.5
Interest cover (times)	7.32
NCA / Total Debt (times)	0.02
Gearing (times)	1.68
Total Debt / PBDIT (times)	42.14

Adinath Jewellery Exports

Date	LT	FD	ST	Outlook
Current Rating				
	A-			**Stable**
Rating History				
31/May/2011	**A-****			**Stable**

***Initial Bank loan rating assigned*

Company Background:

For arriving at its rating, CRISIL has combined the business and financial risk profiles of Adinath Jewellery Exports (Adinath), M Suresh Company Pvt Ltd (MSCPL) and M Suresh Jewellery Pvt Ltd (MSJPL), together referred to as the M Suresh group.

MSCPL was incorporated in 1968. The company is in the business of diamond trading and processing. MSJPL exports diamond jewellery, primarily to the US. The company started operations in 2004, with a manufacturing unit in Santacruz Electronics Export Processing Zone (SEEPZ), Mumbai. Adinath, a partnership firm, commenced operations in December 2009, and is in the business of exporting diamond-studded jewellery, primarily to the US.

Rating Strengths

- Sound operational efficiencies, supported by assured supply of rough diamonds and established presence in key diamond markets
- Healthy financial risk profile

Rating Weaknesses

- Working-capital-intensive operations
- Deployment of surplus funds in non-core businesses

Outlook: Stable

CRISIL believes that the M Suresh group will maintain its business risk profile, supported by sound operational efficiencies, and its financial risk profile, supported by healthy profitability in the jewellery business. The outlook may be revised to ‘Positive’ in case of improvement in the group’s working capital cycle. Conversely, the outlook may be revised to ‘Negative’ if there is a significant decline in the group’s profitability, resulting in weakening in its debt protection metrics.

Key Rating Sensitivity Factors

- Amount and funding mix of future capital expenditure
- Stability of operating margin

Financial Performance (Not Published)

Ador Powertron Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Negative
Rating History				
4/Dec/2009	A-		A2+	Negative
8/Apr/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Ador Powertron Ltd (APL) is part of the Ador group. APL manufactures power electronics equipment such as HVRs, high current rectifiers (HCRs), and switched-mode power supply (SMPS) systems, and trades in uninterruptible power supply (UPS) systems. APL procures UPS systems from Gamatronic Electronic Industries Ltd, Israel, and sells them in India. APL has three manufacturing units at Pune (Maharashtra), and sales offices in Mumbai, Delhi, Kolkata, Chennai, Bengaluru, Vadodara (Gujarat), Bhilai (Chhattisgarh), and Bhubaneshwar (Orissa).

The Ador group's flagship company is JB Advani and Company Pvt Ltd (JBA), which manufactures core and transformer assemblies for welding rectifiers, trolleys, lamination stampings, and gas-cutting products. Over the years, JBA has promoted four companies - Ador Multiproducts Ltd (AML), Ador Welding Ltd (AWL), Ador Fontech Ltd (AFL), and APL.

Rating Strengths

- Healthy financial risk profile
- Strong parentage with conservative financial management policy
- Leadership position in niche high voltage resistor (HVR) segment

Rating Weaknesses

- Small scale of operations and small net worth
- Vulnerability to volatility in raw material prices due to fixed-price nature of contracts

Outlook:Negative

The negative outlook reflects the decline in APL's revenues and operating profit margins over the last three years because of lower off-take from its end-user industries. CRISIL expects the company's revenues and the profit margins to remain under pressure over the medium term. The rating may be downgraded if APL's revenues and the operating margins further decline from the current levels. Conversely, the outlook may be revised to 'Stable' in case of sustainable growth in revenues and operating margins.

Key Rating Sensitivity Factors

- Maintenance of operating margin
- Extent and funding of capital expenditure
- Growth in end-user industries

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	758	676	803
OPBDIT	64	46	89
PAT	19	9	34
Tangible Networth	237	223	214
Total Debt	98	88	111
OPBDIT Margins (%)	8.2	6.7	10.9
Net Profit Margins (%)	2.5	1.3	4.2
Interest cover (times)	11.80	4.77	6.41
NCA / Total Debt (times)	0.36	0.37	0.49
Gearing (times)	0.41	0.39	0.52
Total Debt / PBDIT (times)	1.63	1.83	1.27

Advance Steel Tubes Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
20/Nov/2008	A-		A2+	Stable

***Initial Bank loan rating assigned*

Company Background:

Promoted by Mr. D N Agarwal, Mr. D R Agarwal, and the late Mr. D Devraj Agarwal in 1974, Advance Steel Tubes Limited (ASTL) manufactures mild-steel (MS) and galvanised-iron (GI) pipes and tubes, and structures. The pipes have varied applications, from household bore-well pumps to deep-water projects. The tubes are used to construct the foundations of steel structures. The company's manufacturing units are located at Sahibabad, Haridwar, Dehradun, and Jammu, and it has installed capacity to produce 30,000 tonnes per annum (tpa) of tubes and pipes, and 15,000 tpa of structures and poles.

ASTL sells about 70 per cent of its pipes in northern and western India (Uttar Pradesh, Madhya Pradesh, Maharastra, and Gujarat). The company is focussing on the growth sectors of telecom and power for structures, and on government bodies for supply of tubes and pipes, and structures.

Rating Strengths

- Healthy financial risk profile with high net worth and low gearing
- Diversified revenue streams with increasing presence in high-margin product segments
- Established business risk profile with long-standing relationship with major customer

Rating Weaknesses

- Small scale of operations
- Exposure to intense competition, and regional concentration in revenue

Outlook: Stable

CRISIL believes that ASTL will maintain its credit risk profile over the medium term, supported by its expected healthy cash accruals and improving product-mix. The outlook may be revised to 'Positive' if ASTL scales up its operations, while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' if ASTL's profitability declines significantly, or if it undertakes large debt-funded capital expenditure (capex), leading to deterioration in its capital structure.

Key Rating Sensitivity Factors

- Sustained operating income and profit margins
- Capex and its funding mix
- Sustained order flow

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1500	1883	1494
OPBDIT	138	190	119
PAT	76	122	65
Tangible Networth	554	480	359
Total Debt	215	133	191
OPBDIT Margins (%)	9.1	10.0	7.7
Net Profit Margins (%)	5.0	6.4	4.2
Interest cover (times)	7.02	12.79	4.89
NCA / Total Debt (times)	0.39	0.95	0.36
Gearing (times)	0.39	0.28	0.53
Total Debt / PBDIT (times)	1.54	0.69	1.60

Aero Club

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
15/May/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

CRISIL has taken a consolidated view of M/s Aero Club (Aero Club) and the three group companies--Earthline Apparels Pvt Ltd, Bora Knitwear Pvt Ltd, and Indochem Paints Pvt Ltd (referred to as the Aero group) as these entities are in the business of manufacturing apparels for Aero Club. Also, these companies and firms have common promoters and partners--Mr. Avatar Singh, Mr. Harkirat Singh and family members.

Aero Club, a partnership firm set up in 1992 by Mr. Avtar Singh, manufactures footwear. In 1992, the firm floated the Woodland brand. It now manufactures shoes for men and women, in addition to apparels. It has set up its own network of exclusive showrooms and franchise outlets promoting the Woodland and Woods brands. Currently, the firm has capacity to produce about 2.40 million pairs of footwear at its facilities at Baddi and Poanta Sahib (Himachal Pradesh), and Dehradun (Uttaranchal). The other group entities have their manufacturing facilities located in Noida (Uttar Pradesh).

Rating Strengths

- Stable business risk profile, marked by well-recognised brand, diversified product portfolio, and healthy operating margins
- Comfortable financial risk profile

Rating Weakness

- Exposure to intense competition in footwear industry

Outlook: Stable

CRISIL believes that the Aero group's revenues will increase over the medium term, backed by the diverse distribution channels and established brand image. The outlook may be revised to 'Positive' if the Aero group achieves more than expected growth in operating income and enhances its profitability, while stabilising the newly added capacity and operations at its planned retail stores over the medium term. Conversely, the outlook may be revised to 'Negative' if the partners draw more than expected capital from Aero Club to support the operations in other group entities and/or if the group undertakes more-than-expected debt funded capital expenditure (capex) leading to deterioration in capital structure.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Working capital management
- Extent of drawings by partners to support real estate projects in M/s Royal Orchids
- Unrelated diversification

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	6504	4809	3379
OPBDIT	1173	826	511
PAT	515	328	178
Tangible Networth	1970	1474	1186
Total Debt	1924	1319	1098
OPBDIT Margins (%)	18.0	17.1	15.1
Net Profit Margins (%)	7.9	6.8	5.3
Interest cover (times)	3.60	3.10	2.72
NCA / Total Debt (times)	0.33	0.29	0.22
Gearing (times)	0.98	0.90	0.93
Total Debt / PBDIT (times)	1.64	1.60	2.17

Agarwal Coal Corporation Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
27/Aug/2008	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Agarwal Coal Corporation Private Limited (ACCPL) and its associate companies, Eagle Fuel Pvt Ltd (EFPL), Agarwal Coal Corporation (S) Pte Ltd (ACCSPL), and Agarwal Transport Corporation Pvt Ltd (ATCPL), collectively referred to as the Agarwal group.

ACCPL is the flagship company of the V K Agarwal group of Indore. Promoted by Mr. Puroshottam Agarwal (elder brother of Mr. V K Agarwal) in 1966 as a proprietorship firm for trading of coal, ACCPL was converted into a private limited company in 2000. Imported thermal coal trading sales approximately accounts for 75 per cent of its revenues. Its group company ACCSPL is also engaged in the imported coal trading business, while EFPL is mainly engaged in domestic thermal coal trading. ACCPL and EFPL together hold a 74 per cent stake in ACCSPL. Its other group company ATCPL provides stevedoring and inland transportation services exclusively to customers of the group companies.

Rating Strengths

- Comfortable financial risk profile, marked by healthy net worth and capital structure
- Established position in imported thermal coal trading business

Rating Weaknesses

- Risks relating to fluctuations in foreign exchange (forex) rates and volatility in shipping freight rates
- Vulnerability of margins to concentrated revenue profile, supplier concentration, and unfavourable movements in international thermal coal prices

Outlook: Stable

CRISIL expects the Agarwal group to maintain its comfortable financial risk profile on the back of its established market position and the absence of any major debt-funded capital expenditure (capex) plans. The outlook may be revised to 'Positive' if the group further expands its operations and provides value-added services, thus resulting in higher–than-expected profitability, while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' if the Agarwal group undertakes any large, debt-funded capex programme, or if its profitability comes under severe pressure.

Key Rating Sensitivity Factors

- Any sharp fluctuation in foreign exchange rates
- Adverse changes in international dry bulk freight rates
- Fluctuations in prices of imported coal, and its viability vis-à-vis domestic coal

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	21200	15575	12997
OPBDIT	856	529	994
PAT	675	408	756
Tangible Networth	2390	1724	1190
Total Debt	4852	5096	1966

OPBDIT Margins (%)	4.0	3.4	7.6
Net Profit Margins (%)	3.1	2.6	5.8
Interest cover (times)	5.3	3.23	9.33
NCA / Total Debt (times)	0.14	0.08	0.39
Gearing (times)	2.03	2.96	1.65
Total Debt / PBDIT (times)	4.13	5.93	1.70

Agarwal Transport Corporation Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		**A1**	**Stable**
Rating History				
27/Aug/2008	**A****		**A1****	**Stable**

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Agarwal Coal Corporation Private Limited (ACCPL) and its associate companies, Eagle Fuel Pvt Ltd (EFPL), Agarwal Coal Corporation (S) Pte Ltd (ACCSPL), and Agarwal Transport Corporation Pvt Ltd (ATCPL), collectively referred to as the Agarwal group.

ACCPL is the flagship company of the V K Agarwal group of Indore. Promoted by Mr. Puroshottam Agarwal (elder brother of Mr. V K Agarwal) in 1966 as a proprietorship firm for trading of coal, ACCPL was converted into a private limited company in 2000. Imported thermal coal trading sales approximately accounts for 75 per cent of its revenues. Its group company ACCSPL is also engaged in the imported coal trading business, while EFPL is mainly engaged in domestic thermal coal trading. ACCPL and EFPL together hold a 74 per cent stake in ACCSPL. ATCPL provides stevedoring and inland transportation services exclusively to customers of the group companies.

Rating Strengths

- Comfortable financial risk profile, marked by healthy net worth and capital structure
- Established position in imported thermal coal trading business

Rating Weaknesses

- Risks relating to fluctuations in foreign exchange (forex) rates and volatility in shipping freight rates
- Vulnerability of margins to concentrated revenue profile, supplier concentration, and unfavourable movements in international thermal coal prices

Outlook: Stable

CRISIL expects the Agarwal group to maintain its comfortable financial risk profile on the back of its established market position and the absence of any major debt-funded capital expenditure (capex) plans. The outlook may be revised to 'Positive' if the group further expands its operations and provides value-added services, thus resulting in higher–than-expected profitability, while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' if the Agarwal group undertakes any large, debt-funded capex programme, or if its profitability comes under severe pressure.

Key Rating Sensitivity Factors

- Any sharp fluctuation in foreign exchange rates
- Adverse changes in international dry bulk freight rates
- Fluctuations in prices of imported coal, and its viability vis-à-vis domestic coal

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	**21200**	**15575**	**12997**
OPBDIT	**856**	**529**	**994**
PAT	**675**	**408**	**756**
Tangible Networth	**2390**	**1724**	**1190**
Total Debt	**4852**	**5096**	**1966**

OPBDIT Margins (%)	**4.0**	**3.4**	**7.6**
Net Profit Margins (%)	**3.1**	**2.6**	**5.8**
Interest cover (times)	**5.3**	**3.23**	**9.33**
NCA / Total Debt (times)	**0.14**	**0.08**	**0.39**
Gearing (times)	**2.03**	**2.96**	**1.65**
Total Debt / PBDIT (times)	**4.13**	**5.93**	**1.70**

Agro Tech Foods Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
17/Apr/2009	A+		A1+	Stable
27/Jun/2008	AA-**		A1+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Set up in 1986, Agro Tech Foods Ltd (AFTL, formerly, ITC Agro Tech) sells edible oils (branded and unbranded) and branded foods. The company largely sells edible oils through the retail network as well as in bulk form to institutions. AFTL has three business divisions—branded edible oils, branded foods, and sourcing and institutional business. ConAgra Foods Inc (ConAgra, 'rated BBB/Stable/A-2' by Standard & Poor's [S&P's]) holds 48 per cent stake in the company.

Rating Strengths

- Healthy market presence in branded edible oils segment, supported by strong brand image and innovative products
- Support from ConAgra
- Healthy and improving financial risk profile

Rating Weaknesses

- Low profitability, in keeping with the nature of edible oil and foods businesses
- Exposure to risks relating to the commodity nature of agro-based products

Outlook: Stable

CRISIL expects AFTL to maintain its healthy financial risk profile over the medium term. The company's business risk profile is expected to improve with the expansion of its product portfolio. The outlook may be revised to 'Positive' if there is a significant and sustainable improvement in AFTL's market position in the branded food segment and a significant increase in revenues and profitability. The ratings on the company's facilities may also be upgraded in case of an upward revision in the ratings on ConAgra by S&P. Conversely, the outlook may be revised to 'Negative' if AFTL posts lower-than-expected revenue and profitability, or in case of a large, significantly debt-funded capital expenditure (capex) programme or acquisition.

Key Rating Sensitivity Factors

- Success of ConAgra's branded food products in India
- Maintenance of profitability in branded edible oils segment
- Capex plans and their funding mix
- Movement in S&P's ratings on ConAgra

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	6496	7736	10106
OPBDIT	287	189	248
PAT	251	208	163
Tangible Networth	1261	1044	855
Total Debt	-	-	118
OPBDIT Margins (%)	4.4	2.4	2.4
Net Profit Margins (%)	3.9	2.7	1.6
Interest cover (times)	-	15.68	10.59
NCA / Total Debt (times)	-	-	1.58
Gearing (times)	-	-	0.14
Total Debt / PBDIT (times)	-	-	0.45

Ahmedabad Municipal Corporation

Date	LT	FD	ST	Outlook/Rating Watch
Current Rating				
	CCR A+ A+			Stable
Rating History				
27/Aug/2008	CCR A+ A+			Stable
22/Aug/2008	A+			Stable
07/Jun/2007	AA (SO)			Placed on Rating Watch with negative implications
08/Apr/2004	AA (SO)			Stable

Company Background:

Ahmedabad Municipal Corporation (AMC) is the largest municipal corporation in Gujarat and is governed by the Bombay Provincial Municipal Corporation Act, 1949, as amended by the Government of Gujarat (GoG). AMC has jurisdiction over an area of 450 square kilometres (sq km) and provides a range of civic services to around five million residents. The major services provided by AMC are water supply, sewerage disposal, solid waste management, primary education, public safety, and transportation.

Rating Strengths

- Strong economic base
- Healthy surplus levels, driven by strong revenues and control on expenditure
- Robust administrative set-up, leading to strong project management abilities
- Sound economic management, reflected in good reform orientation

Rating Weaknesses

- High dependence on government grants marked by low revenue from user charges
- Large capital expenditure (capex) requirements

Outlook: Stable

CRISIL believes that AMC will maintain a large operating surplus on the back of strong revenue income. The outlook will be revised to 'Positive' if AMC's capital structure improves significantly. However, the outlook will be revised to 'Negative' if significant increase in the corporation's debt leads to deterioration in its capital structure.

Key Rating Sensitivity Factors

- Adequacy and efficacy of compensation provided in lieu of octroi
- Extent of debt for funding its capex

Financial Performance

Rupees Billion	31-Mar-10	31-Mar-09	31-Mar-08
Revenue Receipts	20.1	15.5	14.1
Operating Surplus	9.0	6.4	6.0
Revenue Surplus	6.3	5.3	4.9
Total Debt	3.9	2.6	2.8
Operating Surplus /Revenue Receipts (%)	45.0	41.0	43.0
Revenue Surplus/Revenue Receipts (%)	31.0	34.0	35.0
Net Debt/Revenue Receipts (%)	5.0	1.0	6.0
DSCR (Times)	2.3	5.7	5.5

Ahuja Builders

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
16/Feb/2011	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Ahuja Builders, established in 1981 by the late Mr. Manmohan Ahuja, undertakes civil construction in the real estate (commercial, residential) and industrial segments. The firm is managed by Mr. Sharad Ahuja, the son of Mr. Manmohan Ahuja.

Ahuja Builders' clientele includes corporates, such as the Hero group, Birla group, Max group, Maruti Suzuki India Ltd (rated 'CRISIL AAA/Stable/CRISIL A1+'), Moser Baer India Ltd, ITC Ltd (rated 'CRISIL AAA/Stable/CRISIL A1+'), Glaxo Smith Kline Pharmaceutical Ltd, TVS Motor Company Ltd, RB Education Foundation and real estate developers such as Emaar MGF Land Ltd, and Jai Prakash Associates Ltd etc. Almost all of its revenues are generated from North India.

Rating Strengths

- Established track record in the construction business supported by strong order book position
- Healthy financial risk profile

Rating Weakness

- Limited revenue and geographical diversity

Outlook: Stable

CRISIL believes that Ahuja Builders will maintain its strong business risk profile, supported by its healthy order book position. Its financial risk profile is expected to remain comfortable, on account of low gearing and healthy debt protection measures. The outlook may be revised to 'Positive' in case the firm achieves a strong increase in operating income and cash accruals, while maintaining its working capital management, leading to further improvement in its financial risk profile, or in case of improvement in geographical and segmental diversity in its revenue profile. Conversely, the outlook may be revised to 'Negative' in case of pressure on its operating income or operating profitability, due to a slowdown in inflow of new orders, or in case of deterioration in its financial risk profile, due to a larger-than-expected debt-funded capital expenditure (capex) programme.

Key Rating Sensitivity Factors

- Working capital management
- Sustenance of order book position and execution
- Capex plans and their funding pattern
- More than expected drawings from the capital account of partners

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2056	1713	1817
OPBDIT	252	191	201
PAT	125	92	104
Tangible Networth	330	237	185
Total Debt	135	269	158
OPBDIT Margins (%)	12.2	11.1	11.1
Net Profit Margins (%)	6.0	5.4	5.7
Interest cover (times)	7.53	6.15	9.62
NCA / Total Debt times)	0.97	0.29	0.47
Gearing (times)	0.41	1.14	0.85
Total Debt / PBDIT (times)	0.52	1.31	0.76

Ajanta Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
6/Jun/2011	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Incorporated in 1991 as Ellora Time Pvt Ltd (ETPL) which was later converted into a closely held public limited company, and renamed as Ajanta Limited (Ajanta) in 2006. Ajanta manufactures consumer products such as wall and table clocks, electric fans (main products), in addition to calculators, landline phones, emergency lights, switchgears and miniature circuit breakers (MCBs), and kitchen appliances such as mixer grinders, irons and heaters. Moreover, it also imports some consumer products such as mobile phones, digital multi-meters and sells them under its own brand in India. All the products manufactured and imported by Ajanta are sold under the Orpat brand.

Ajanta is also engaged in power generation using wind mills with an installed capacity of around 27.5 mega-watts (MW) in Gujarat and Maharashtra, which is sold to state electricity boards. The company is owned and managed by Mr. Praveen Patel (son of Mr. Odhavjibhai R. Patel; founder promoter of Ajanta group of companies).

Rating Strengths

- Strong financial risk profile
- Stable business risk profile, supported by strong brand and established dealer network

Rating Weaknesses

- Intense competition and small market share in products other than clocks
- Small market segment for clocks with modest growth prospects

Outlook: Stable

CRISIL believes that Ajanta will maintain a stable business risk profile over the medium term, backed by its established market presence, strong brand, and promoter's experience in the clocks industry. The outlook may be revised to 'Positive' if Ajanta achieves more-than-expected revenue growth in all its product segments, while maintaining its profitability and debt protection metrics. Conversely, the outlook may be revised to 'Negative' if the company generates lesser-than-expected revenues or its operating margin declines significantly, thereby adversely affecting its net cash accruals, or if the company undertakes a large, debt-funded capital expenditure (capex), causing its debt protection metrics to weaken.

Key Rating Sensitivity Factors

- Volatility in raw material prices
- Management of working capital requirements
- Future capex plans and their funding mix

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3,673	2,909	2,561
OPBDIT	634	494	315
PAT	375	274	122
Tangible Networth	2,348	1,985	1,718
Total Debt	171	268	69

OPBDIT Margins (%)	16.5	16.0	11.7
Net Profit Margins (%)	9.7	8.9	4.5
Interest cover (times)	29.87	40.67	24.32
NCA / Total Debt times)	2.63	1.38	3.57
Gearing (times)	0.07	0.14	0.04
Total Debt / PBDIT (times)	0.25	0.50	0.21

Albert David Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A1	Stable
Rating History				
19/Jan/2011	A-		A1	Stable
29/Dec/2008	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Albert David Limited (ADL) was incorporated in 1938; the present promoters, the Kothari group of companies, acquired a controlling stake in the company in 1965. The company is currently managed by Mr. K P Mundhra. ADL has manufacturing facilities in three locations: Kolkata (West Bengal), Ghaziabad (Uttar Pradesh), and Mandideep (Madhya Pradesh). Its facilities adhere to Schedule M of the Drug and Cosmetics Act, which outlines good manufacturing practices.

ADL's first manufacturing facility was set up in Kolkata to manufacture pharmaceutical formulations in the form of parenterals, tablets, syrups, and others. In 1981, a second manufacturing unit was set up at Ghaziabad near Delhi with facilities to manufacture IV fluids in glass bottles as well as in polyethylene bottles based on form-fill-seal technology; later, capsule/ointment and ophthalmological products manufacturing facilities were also added to this unit. The third manufacturing plant of the company was set up at Mandideep, near Bhopal, for manufacture of disposable syringes and hypodermic needles; this unit became operational in August 1990.

Rating Strengths

- Healthy financial risk profile and stable cash flows
- Sound marketing and distribution setup

Rating Weaknesses

- Restricted product profile
- Exposure to intense competition from domestic players

Outlook:Stable

CRISIL believes that ADL will maintain its established brand presence over the medium term, enabling it to sustain its steady margins. CRISIL also believes that the company will maintain its current liquidity, with prudent funding of its expansion plans. The outlook may be revised to 'Positive' if the company is able to enter into and strengthen its market position in any of the fast-growing therapeutic segments, including lifestyle segments, thereby further improving its profitability, or if it improves its revenue visibility by strengthening its R&D team. Conversely, the outlook could be revised to 'Negative' if ADL undertakes any large, debt-funded capital expenditure (capex), leading to deterioration in its capital structure, or if the company is unable to maintain its profitability margins in the face of adverse regulations or other factors.

Key Rating Sensitivity Factors

- Ban, if any, on drugs based on placental extracts
- Any change in government policies
- Reduction in surplus liquid assets
- Maintenance of operating margin
- Capex and its funding mix

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2245	2043	1742
OPBDIT	288	256	228
PAT	103	75	55
Tangible Networth	630	558	506
Total Debt	522	551	558
OPBDIT Margins (%)	12.7	12.4	12.9
Net Profit Margins (%)	4.5	3.6	3.1
Interest cover (times)	6.75	4.60	4.73
NCA / Total Debt (times)	0.31	0.24	0.18
Gearing (times)	0.83	0.99	1.10
Total Debt / PBDIT (times)	1.79	2.13	2.78

Alchem International Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
29/Sep/2008	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at the ratings, CRISIL has combined the financials of Alchem International Limited (Alchem) and its wholly owned subsidiary, Alchem International (H K) Ltd (Alchem (HK), as the latter operates as a marketing and liaison office for Alchem's business. However, CRISIL has provided the standalone financials of Alchem as the books of accounts of the two companies close on different dates.

Alchem, established in 1982 by Mr. Raman Mehta, manufactures herbal active pharmaceutical ingredients (API) called phyto chemicals (plant-based medicines) and has small presence in the formulation business. Key products of the company are thiocolchicoside (thio), hyoscine, quinine, 10 DAB, and sennosides. These five products account for nearly 77 per cent of the company's total turnover. In formulations, the company manufactures thio under its own brand called ThioQuest. Alchem has nine extraction and eight purification units at Faridabad (Haryana) and Neemrana (Rajasthan). All its manufacturing facilities have the European Union Good Manufacturing Facility's (EUGMP) approval, and one of the facilities is approved by the United States Food & Drug Administration (USFDA). The company has major presence in the export market, which accounts for nearly 77 per cent of its total sales; Europe alone accounts for about 50 per cent of the company's total sales.

Rating Strengths

- Comfortable financial risk profile marked by moderate gearing levels and above-average debt protection indicators
- Comfortable business risk profile marked by reasonable product portfolio and exclusive long-term contracts with suppliers and buyers

Rating Weaknesses

- Working capital intensive operations resulting in reliance on short-term debt
- Increasing dependence on single product, thiocolchicoside, leading to product concentration risk

Outlook: Stable

CRISIL believes that Alchem will continue to maintain its healthy financial risk profile, supported by healthy cash accruals and low capex requirements, over the medium term. The outlook may be revised to 'Positive' if Alchem registers significantly higher-than-expected cash accruals resulting in improvement in its capital structure. Conversely, the outlook may be revised to 'Negative' if Alchem undertakes a large debt-funded capital expenditure (capex) programme, and its profitability and cash accruals decline sharply, resulting in a weakening of its financial risk profile.

Key Rating Sensitivity Factors

- Capex plans and their funding pattern
- Diversification into unrelated businesses
- Significant losses in any derivative/foreign exchange contracts
- Adverse government regulations

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1642	1504	1093
OPBDIT	175	375	219
PAT	31	189	113
Tangible Networth	568	768	578
Total Debt	802	524	397
OPBDIT Margins (%)	10.6	22.8	18.9
Net Profit Margins (%)	1.9	11.5	9.7
Interest cover (times)	4.09	5.30	4.49
NCA / Total Debt (times)	0.14	0.47	0.42
Gearing (times)	1.41	0.68	0.69
Total Debt / PBDIT (times)	4.57	1.39	1.81

Alicon Castalloy Limited (formerly Enkei Castalloy Limited)

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
30/Apr/2010	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Alicon Castalloy Limited (ACL) manufactures cast aluminium auto components such as cylinder heads, crankshafts, and alloy wheels. The company is one of the few large players in the aluminium castings industry and has a capacity of around 18,000 tonnes per annum. ACL's manufacturing units are located in Pune (Maharashtra) and Gurgaon (Haryana).

ACL was set up in 2003 as a joint venture (JV) between Pegasus Castalloy Ltd - an Indian company engaged in producing cast aluminium auto components since 1990 - and Enkei Corporation (Japan) - one of the largest manufacturers of alloy wheels in the world. ACL ventured into the alloy wheel casting business in 2006 to capitalise on the experience of Enkei Corporation, and by 2008-09, the segment accounted for around 38 per cent of ACL's total business. However, faced with stiff competition from Chinese manufacturers, ACL's alloy wheels division continued to make losses and required additional funding. Therefore, the promoters decided to de-merge the wheel business into a separate company, Enkei Wheels Ltd (EWL). The de-merger is effective April 1, 2009. Post de-merger, the management control of ACL and EWL is with the Indian promoters and Enkei Corporation, respectively.

Rating Strengths

- Healthy financial risk profile
- Established market presence in aluminium casting automotive (auto) component sector

Rating Weaknesses

- Margins vulnerable to fluctuations in raw material prices
- Moderate scale of operations, and segmental and customer concentration in revenues

Outlook: Stable

CRISIL believes that ACL will, over the medium term, maintain its established market position in the automobile aluminium components industry, and its healthy financial risk profile driven by the expected continuation of healthy cash accruals. The outlook may be revised to 'Positive' if ACL improves its scale of operations by diversifying beyond the automobile components sector, while maintaining its financial risk profile. Conversely, the outlook may be revised to 'Negative' if the company undertakes any large, debt-funded capital expenditure (capex), or faces pressures on its margins, thereby leading to deterioration in its financial risk profile.

Key Rating Sensitivity Factors

- Working capital management
- Improvement in scale of operations
- Additional debt-funded capex

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1586	2549	2722
OPBDIT	365	355	320
PAT	13	-129	63
Tangible Networth	381	455	462
Total Debt	552	1928	1690
OPBDIT Margins (%)	17.2	11.7	9.8
Net Profit Margins (%)	0.6	-4.3	1.9
Interest cover (times)	3.17	1.67	3.19
NCA / Total Debt (times)	0.24	0.07	0.12
Gearing (times)	1.45	4.24	3.66
Total Debt / PBDIT (times)	2.24	5.44	4.87

Alpha Pharma Daman Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
31/Jul/2009	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Alpha Pharma Daman Pvt Ltd (APDPL), Alpha Packaging Ltd (APL), Alpha Plastomers Pvt Ltd (APPL), and Prathamesh Polymers Pvt Ltd (PPPL), collectively referred to as the Alpha group. Also, the promoters plan to combine all the companies, by making them subsidiaries of APL, over the medium term.

Promoted by Mr. Kanhaiyalal Agarwal, the Alpha group manufactures rigid packaging products, mainly polyethylene terephthalate (PET) bottles, which are used in various industries, such as pharmaceuticals, agriculture, carbonated soft drinks (CSD), water, and liquor. APDPL's manufacturing unit is located at Daman. APL, which has its unit at Roorkee and Baddi, manufactures PET bottles. One of its units is also a del credre agent of Reliance Industries Ltd (RIL). PPPL's manufacturing unit is located in Baddi. The company is into manufacturing of PET bottles for the pharmaceutical industry. APPL has its unit at Daman and is engaged in the manufacture of flexible packaging products for the textile industry. Alpha Plastomers, a partnership firm engaged in manufacturing flexible packaging products for the textile industry, was merged with APPL in January 2009. Another group company, Alpha Industrial Parks Ltd (AIPL), is a real estate company that owns the lands and factory building of the Alpha group at Daman. AIPL's requirements are funded through deposits and advances from the Alpha group.

Rating Strengths

- Healthy financial risk profile, marked by comfortable net worth, and healthy gearing and debt protection measures
- Established presence in pharma plastic bottling business, with growing diversification into water and CSD bottling
- Comfortable operating efficiency, driven by fiscal benefits and facilities in multiple locations

Rating Weaknesses

- Small scale of operations, and high dependence on single distributor for pharma bottling business
- Moderately large working capital requirements, because of high credit terms in pharma bottling business
- Vulnerability to fluctuations in foreign exchange (forex) rates

Outlook: Stable

CRISIL expects the Alpha group to maintain its healthy position in the packaging business, its established customer base, improving operating efficiency, and healthy financial risk profile. The outlook may be revised to 'Positive' if the group improves the scale of its operations substantially, or diversifies into the water and CSD bottling business. Conversely, the outlook may be revised to 'Negative' if the group's financial risk profile deteriorates substantially, on account of lower-than-expected cash accruals or large debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Improvement in scale of operations
- Capex plans, and their funding mix
- Efficient working capital management, and maintenance of operating margins

Financial Performance

Rupees Million	31-Mar-09	31-Mar-08	31-Mar-07
Net Sales	1479	1274	1201
OPBDIT	263	193	155
PAT	106	102	15
Tangible Networth	635	579	491
Total Debt	451	382	318
OPBDIT Margins (%)	17.7	15.1	12.8
Net Profit Margins (%)	7.1	8.0	1.3
Interest cover (times)	3.00	5.51	7.09
NCA / Total Debt (times)	0.35	0.39	0.33
Gearing (times)	0.72	0.66	0.65
Total Debt / PBDIT (times)	1.69	1.88	1.97

Amar Ujala Publications Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
22/Dec/2009	A		A1	Stable
6/May/2009	A		A1	Negative
25/Sep/2007	A		A1	Stable
3/Aug/2007			A1	
1/Nov/2006			A2**	

***Initial rating assigned*

Company Background:

Amar Ujala Publication Ltd (AUPL) flagship daily Amar Ujala was started as a four-page newspaper in Agra by the Agarwal and Maheshwari families in 1948. It is today the second-largest newspaper in Uttar Pradesh (UP), and is among the top six dailies in India. Over the years, Amar Ujala has emerged as the leading Hindi newspaper in western UP (including Uttarakhand), despite strong competition from Dainik Jagran. It has also expanded to eastern UP, Chandigarh, Jammu, Punjab, the National Capital Region (NCR), and Himachal Pradesh. AUPL has 17 printing centres and 18 editions. It caters to almost 8.6 million readers in northern India.

When the founders handed over the business to the next generation, the shareholding of the newspaper business was split between three Agarwal brothers and two Maheshwari brothers. Until April 2003, the newspaper business was housed in two separate companies with identical shareholding; these companies were merged with effect from April 2003, to consolidate the newspaper business under one entity. At that time, A & M Publications Ltd (AMPL) was AUPL's captive printing unit, and housed 10 of AUPL's 17 printing units. Under a settlement within the promoter group, Mr. Ajay Agarwal and Mr. Saurabh Anand (son of the late Mr. Anil Agarwal) exited the newspaper business in 2007-08. In July 2007, AUPL received Rs.1.17 billion equity as foreign direct investment (FDI) from DE Shaw Composite Investment (Mauritius) for an 18 per cent stake in AMPL and AUPL. In December 2007, the board of directors of both entities approved the merger of the two entities, and with High Court approval, both the entities were merged under AUPL with effect from March 2008.

Rating Strengths

- Strong market position in UP and Uttarakhand
- Stable operating cash flows and improving operating efficiency
- Improving financial risk profile

Rating Weaknesses

- Exposure to increasing competition, and regional concentration in revenue profile
- Vulnerability of profit margin to volatility in newsprint prices and economic cycles

Outlook: Stable

CRISIL expects AUPL's flagship daily Amar Ujala to maintain its market position in UP and Uttaranchal. Healthy accruals from existing editions will help the company fund its capital expenditure (capex) for new editions. AUPL's debt protection metrics are also expected to improve over the medium term, with regular repayments and reduced debt levels. The outlook may be revised to 'Positive' if AUPL launches new editions quickly, sustains a healthy operating margin, and improves its capital structure. Conversely, the outlook may be revised to 'Negative' if AUPL loses market share, is unable to manage new editions, leading to a decline in operating income and profitability, or if it undertakes a larger-than-expected debt-funded capex, thereby weakening its capital structure.

Key Rating Sensitivity Factors

- Deterioration in market position in UP and Uttarakhand
- Incremental capex, and its funding pattern
- Sustainability of improvement in cash accruals

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3,948	3,493	3,265
OPBDIT	947	440	458
PAT	413	-45	89
Tangible Networth	883	470	495
Total Debt	1,174	1,624	1,668
OPBDIT Margins (%)	23.5	12.2	13.7
Net Profit Margins (%)	10.2	-1.2	2.6
Interest cover (times)	6.17	1.60	2.83
NCA / Total Debt (times)	6.37	1.58	2.81
Gearing (times)	0.51	0.09	0.14
Total Debt / PBDIT (times)	1.33	3.46	3.37

American International School Chennai

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
30/Nov/2009	A+**		A1+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Set up in 1995, American International School Chennai (AISC), a non-profit association, operates a school in Taramani, Chennai. The school provides education under a US-based curriculum to the children of US government employees and other foreign nationals, and to Indian children with a background in international education. The school has grades spanning preschool, elementary, middle, and high school levels. Its curriculum is accredited by international agencies such as Middle States Association (MSA), USA, Council of International Schools (CIS), Europe, and by Association of Indian Universities (AIU).

Rating Strengths

- Established presence in Chennai
- Healthy financial risk profile

Rating Weakness

- Niche clientele and vulnerability to economic downturns

Outlook: Stable

CRISIL believes that AISC will continue to benefit over the medium term from its strong reputation in Chennai, and superior infrastructure. The outlook may be revised to 'Positive' if AISC scales up its operations further, and maintains its profitability. Conversely, the outlook may be revised to 'Negative' if AISC reports a decline in surpluses, or undertakes a large, debt-funded capital expenditure (capex) programme, leading to deterioration in its financial risk profile.

Key Rating Sensitivity Factors

- Growth in student enrolment
- Future fee structure
- Future capex plans and their funding mix
- Ability to manage cash flow mismatches

Financial Performance

USD Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	12	11	9
OPBDIT	3	3	3
PAT	2	2	2
Tangible Networth	14	11	7
Total Debt	6	4	5
OPBDIT Margins (%)	23.3	25.9	28.1
Net Profit Margins (%)	17.5	21.8	20.3
Interest cover (times)	19.89	13.96	6.99
NCA / Total Debt (times)	0.46	0.73	0.46
Gearing (times)	0.44	0.37	0.64
Total Debt / PBDIT (times)	2.06	1.28	1.85

Andhra Organics Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
22/ Jul/ 2010	A+		A1+	Stable
10/Aug/ 2009	A+**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at the ratings, CRISIL has consolidated the financial risk profiles of Virchow Laboratories Ltd. (Virchow Labs) and Virchow Labs' subsidiaries, Andhra Organics Limited (Andhra Organics), Virchow Healthcare Pvt Ltd, Virchow Drugs Pvt Ltd, and Virchow Biotech Ltd, together referred to as the Virchow Labs (consolidated entity).

Virchow Labs took over Andhra Organics in 2004, which was then a loss making company. Andhra Organics, is now a wholly owned subsidiary of Virchow Labs. Andhra Organics is in the business of manufacturing Sulfamethoxazole (SMX - an API used in antibiotics) and has an installed capacity of 4200 MT per annum. The plant is located in Pydi Bhimavaram, Srikakulam district (near Visakhapatnam).

The Virchow group comprises of six active pharmaceutical ingredients (APIs) and drug intermediate manufacturing units, and two biotech units. The group has expanded into formulations, to expand its revenue base and sustain growth momentum.

Rating Strengths

- Promoters' experience in pharmaceutical industry
- Strong financial risk profile with low gearing and healthy networth

Rating Weaknesses

- Exposure to risks relating to product concentration in revenue profile
- Working capital-intensive operations

Outlook: Stable

CRISIL believes that the Virchow group will maintain its strong financial risk profile, given the absence of any major debt-funded capital expenditure plans for the medium term. The outlook may be revised to 'Positive' if the group increases the diversification of its revenue profile and scales up its operations. Conversely, the outlook may be revised to 'Negative' if the group's revenues and margins decline significantly.

Key Rating Sensitivity Factors

- Ability to diversify revenue streams
- Fluctuations in foreign exchange (forex) rates
- Acquisition plans over the medium term

Financial Performance

Rupees Million	31-Mar-09	31-Mar-08	31-Mar-07
Net Sales	3789	3091	3445
OPBDIT	672	456	767
PAT	409	165	445
Tangible Networth	2033	1665	1312
Total Debt	670	1030	1011

OPBDIT Margins (%)	17.2	14.2	21.6
Net Profit Margins (%)	10.5	5.1	12.5
Interest cover (times)	21.79	7.03	11.78
NCA / Total Debt (times)	0.72	0.24	0.34
Gearing (times)	0.33	0.62	0.77
Total Debt / PBDIT (times)	0.96	2.24	1.30

Debt instruments issued by entities of Government of Andhra Pradesh

Date	LT	FD	ST	Outlook
Current Rating				
	A(SO)			Stable
Rating History: Not Published				

Company Background:

Andhra Pradesh State Financial Corporation (APSFC)

APSFC is a term-lending institution. It was established in 1956 for promoting small and medium scale industries in Andhra Pradesh under the provisions of the State Financial Corporation Act, 1951.

Andhra Pradesh Power Generation Corporation Ltd. (APGENCO)

APGENCO came into existence in Dec 1998 and is engaged in the business of power generation

Transmission Corporation of Andhra Pradesh (AP Transco):

AP Transco was incorporated as part of the first phase of the power sector reforms in Andhra Pradesh.

Andhra Pradesh Power Finance Corporation Ltd. (APPFC)

APPFC has been established to provide financial assistance to the power sector in Andhra Pradesh.

Rating Strengths

- Healthy economic management
- Healthy coverage indicators
- Low level of committed expenditure

Rating Weaknesses

- Dependence on monsoon for irrigation
- High levels of fiscal deficit

Outlook for bonds guaranteed by GoAP: Stable

CRISIL believes that GoAP will continue to benefit from its efficient economic management, healthy coverage indicators, and low level of committed expenditure. The state government is currently implementing a large-scale irrigation programme; the outlook may be revised to 'Positive' if GoAP is able to sustain or improves its financial risk profile despite implementation of the irrigation programme. Conversely, the outlook may be revised to 'Negative' if GoAP's financial risk profile deteriorates.

Outlook for AP Transco's long-term loans: Stable

AP Transco plays a critical role in power transmission, and in coordination and monitoring of power flows within Andhra Pradesh. CRISIL believes that AP Transco will maintain its dominant position in intra-state transmission of power in AP, supported by a favourable regulatory framework and high operational efficiency. The outlook may be revised to 'Positive' if there is a significant improvement in the financial risk profiles of AP Transco and the AP distribution companies (discoms). Conversely, the outlook may be revised to 'Negative' if there is a significant delay in the payments from the discoms, resulting in AP Transco's liquidity getting stretched.

Key Rating Sensitivity Factors

- Adherence to the credit enhancement mechanism
- Extent of capital outlay under the Jalayagnam programme

Financial Performance

Rupees Billion	31-Mar-10	31-Mar-09	31-Mar-08
Revenue Receipts (RR)	754	607	541
Revenue Deficit	1	11	-1
Primary Deficit	82	65	78
Gross Fiscal Deficit (GFD)	173	146	154
Total Debt	1098	936	825
Guarantees Outstanding	137	168	169
Revenue Deficit /Revenue Receipts (%)	0.1	1.9	-0.3
Primary Deficit/GSDP (%)	2.0	1.7	2.4
GFD/GSDP (%)	4.2	3.9	4.7
RR/Interest (Times)	8.3	7.5	7.1

Angelique International Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
17/Nov/2011	A	-	A1	Stable
30/Aug/2010	BBB+	-	A2	Stable
17/Jul/2008	BBB**	-	A3+**	Stable

*** Initial Bank loan rating assigned*

Company Background:

Angelique International Ltd (Angelique), set up in 1996, was initially engaged in exporting garments and engineering goods. Over the past decade, the company's focus has shifted to the implementation of engineering, procurement and construction (EPC) contracts in Africa, Southeast Asia, the Middle East, and India. In 2010-11, the company derived almost 94 per cent of its revenues from projects executed outside India.

The company undertakes turnkey projects in mainly three sectors, power (all three, generation, transmission, and distribution), water, irrigation, agriculture, and industrial. In 2010-11, power-related activities contributed almost 47 per cent of its revenues, irrigation and agriculture 18 per cent, and industrial projects almost 19 per cent. Angelique was set up by the late Mr. Daya Krishna Goyal, and is managed by his son, Mr. Ajay Krishna Goyal (president and managing director). As on September 30, 2011, Angelique had an order book of Rs.30.50 billion, to be completed over the next three years.

Rating Strengths

- Strong growth in revenues because of sound understanding of project business in African and Southeast Asian countries
- Sound financial risk profile, supported by efficient working capital management

Rating Weaknesses

- Geographical concentration
- Susceptibility to volatility in foreign exchange rate

Outlook:Stable

CRISIL believes that Angelique will continue to benefit from its established position in the African and Southeast-Asian markets, and also maintain its strong financial risk profile on the back of a robust order book and healthy cash accruals, over the medium term. The outlook may be revised to 'Positive' if Angelique achieves significantly higher than expected growth in its revenues, while maintaining its profitability, capital structure and liquidity. Conversely, the outlook may be revised to 'Negative' if Angelique's scale of operations reduces or profitability declines on account of any political instability in any of the African countries where it operates or because of intense competition in the region, leading to deterioration in the company's liquidity and financial risk profile.

Key Rating Sensitivity Factors

- Growth in order book
- Continuity and growth in line of credit extended by the government of India to Africa
- Delay in project implementation
- Political environment of countries where company operates
- Extent of competition in EPC segment in Africa
- Capital expenditure plan and its funding mix

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	8,289	7,195	6,129
OPBDIT	972	925	738
PAT	525	468	362
Tangible Networth	1,998	1,622	1,309
Total Debt	755	843	1,295
OPBDIT Margins (%)	11.1	12.2	11.6
Net Profit Margins (%)	6.0	6.2	5.7
Interest cover (times)	4.64	4.58	4.79
NCA / Total Debt (times)	0.55	0.41	0.24
Gearing (times)	0.38	0.52	0.99
Total Debt / PBDIT (times)	0.70	0.91	1.80

Anjaney Alloys Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
24/Feb/2011	A-**			Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its rating, CRISIL has combined the business and financial risk profiles of Maithan Alloys Ltd (MAL) and its subsidiaries, AXL Exploration Pvt Ltd (AXL), Anjaney Minerals Ltd (AML), and Anjaney Alloys Ltd (AAL). This is because all the entities, together referred to as the Maithan group, are in the same line of business and under a common management. Moreover, MAL has guaranteed the debt of AAL.

AAL, incorporated in September 2008, is a subsidiary of MAL. AAL is setting up four submerged arc furnaces with capacity of 18 megavolt amperes (MVA) each, for manufacturing ferroalloys at Andhra Pradesh Special Economic Zone (APSEZ) near Visakhapatnam (Andhra Pradesh). The plant will have capacity of 55,000 tpa of silico manganese and 65,000 tpa of ferro-manganese. AAL proposes to implement the project in two phases. Commercial operations in Phase I are expected to commence in the second half of 2011-12; phase II is expected to commence operations in 2012-13.

Rating Strengths

- Established market position in ferroalloy industry
- Above-average financial risk profile

Rating Weaknesses

- Volatile operating margin and vulnerability to cyclicality in ferroalloy industry
- Exposure to risks related to implementation of projects

Outlook: Stable

CRISIL believes that the Maithan group will continue to benefit from its established market position in the ferroalloy industry. The outlook may be revised to 'Positive' if the group successfully increases its scale of operations while maintaining its profitability and capital structure. Conversely, the outlook may be revised to 'Negative' if the group's financial risk profile weakens significantly, most likely on account of a large, debt-funded capital expenditure (capex) programme or acquisition, or if its profitability declines.

Key Rating Sensitivity Factors

- Future capex or acquisition, and its funding pattern
- Significant increase in group exposure
- Fluctuations in value of Indian rupee and raw material prices
- Timely completion of ongoing project

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	4773	6440	3784
OPBDIT	702	254	766
PAT	302	1	400
Tangible Networth	1359	861	889
Total Debt	1223	1529	1165

OPBDIT Margins (%)	14.6	3.9	20.0
Net Profit Margins (%)	6.3	0.0	10.4
Interest cover (times)	4.66	1.26	7.06
NCA / Total Debt times)	0.33	0.02	0.38
Gearing (times)	0.90	1.78	1.31
Total Debt / PBDIT (times)	1.72	5.68	1.50

Apcotex Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
19/Jan/2011	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Apcotex Industries Ltd (Apcotex) manufactures synthetic lattices and styrene butadiene rubber which find application in various industries such as tyre-cord dipping, paper and paperboard coating, carpet backing, water proofing, textile finishing, and footwear industry. Its product portfolio consists of various grades of synthetic lattices such as carboxylated styrene butadiene lattices, nitrile lattices and styrene butadiene rubbers. The company currently has a production capacity of 21,000 tonnes per annum in dry form.

Set up in 1980 as a division by Asian Paints (India) Ltd (Asian Paints, rated 'CRISIL AAA/Stable/CRISIL A1+'), the largest producer of paints in India, Apcotex was converted into a public limited company called Apcotex Lattices Ltd in 1988 and listed on Bombay Stock Exchange in 1990. In 2006, it was rechristened as Apcotex Industries Ltd.

Rating Strengths

- Strong demand outlook for synthetic lattices
- Established background and experience of promoters in synthetic rubber industry
- Healthy financial risk profile

Rating Weakness

- Susceptibility of profitability margins to volatility in raw material prices and intense competitive pressures from other players in industry

Outlook: Stable

CRISIL believes that Apcotex will benefit over the medium term from the strong demand outlook for its products and its established presence in the industry. The outlook may be revised to 'Positive' if the company is able to diversify its product portfolio, and significantly scale up its revenues and accruals while diversifying its revenue profile across sectors and maintaining its debt protection indicators. Conversely, the outlook may be revised to 'Negative' if Apcotex's financial risk profile deteriorates due to a material decline in the profitability margin, on account of significant increase in raw material prices, or large debt-funded capital expenditure (capex) programme results in deterioration in its capital structure.

Key Rating Sensitivity Factors

- Volatility in input prices
- Capex and its funding mix

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2019	1452	1023
OPBDIT	182	141	89
PAT	107	83	45
Tangible Networth	641	575	552
Total Debt	269	148	-

OPBDIT Margins (%)	8.9	9.7	8.7
Net Profit Margins (%)	5.3	5.7	4.4
Interest cover (times)	9.80	30.00	63.63
NCA / Total Debt times)	0.37	0.46	-
Gearing (times)	0.42	0.26	-
Total Debt / PBDIT (times)	1.31	1.02	-

Apollo Gleneagles Hospitals Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
30/Jul/2011	A		A1	Stable
21/Jun/2010	A-		A2+	Stable
3/Jul/2008	BBB+**		A2**	Positive

***Initial Bank loan rating assigned*

Company Background:

Apollo Gleneagles Hospitals Ltd (AGHL) was incorporated in 1988 as Janapriya Hospitals Corporation Ltd by the promoters of Duncans Industries Ltd. Gleneagles Development Pte Ltd (GDPL; part of the Parkway Group Healthcare, Singapore) acquired a 50-per-cent stake in AGHL in 1996, and Apollo Hospitals Enterprises Ltd (AHEL; rated 'CRISIL AA/FAA+/Stable/CRISIL A1+') acquired the remaining stake in 2002. AHEL and GDPL formed an equal joint venture in AGHL, which commenced operations from January 2003 with a 325-bed capacity. AGHL increased the capacity to 474 beds in 2010-11 with a 100-bed capacity day care unit.

AGHL specialises in more than 50 segments, and provides the latest diagnostic and treatment facilities. The hospital combines both AHEL and GDPL's model of quality healthcare facilities with adherence to the most stringent global healthcare standards. It received Joint Commission International accreditation in 2008-09. AGHL is among the few hospitals present in East India catering to the requirements of eastern and northern India, Bangladesh, Myanmar, Nepal, Commonwealth of Independent States (CIS), and Bhutan.

Rating Strengths

- Strong operating capabilities and stable revenue stream
- Improving financial risk profile
- Strong operational and financial support from promoter companies

Rating Weakness

- Geographical concentration, intense competition, and limited pricing flexibility

Outlook: Stable

CRISIL believes that AGHL will maintain its healthy business risk profile, supported by steady growth in occupancy rates and revenue generated per bed, over the medium term. The financial indicators, especially gearing and debt protection metrics are also expected to improve over the medium term, supported by steady accruals and progressive debt repayments. The outlook may be revised to 'Positive' if substantial cash accruals lead to early improvement in AGHL's gearing. Conversely, the outlook may be revised to 'Negative' if AGHL's financial risk profile because of weak business performance, or any larger-than-expected debt-funded capital expenditure.

Key Rating Sensitivity Factors

- Continued support from promoters
- Large debt-funded expansion

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2121	1640	1370
OPBDIT	550	414	312
PAT	292	100	24
Tangible Networth	875	583	283
Total Debt	1563	1731	1737
OPBDIT Margins (%)	24.7	24.1	21.8
Net Profit Margins (%)	13.1	5.9	1.7
Interest cover (times)	3.87	2.48	1.84
NCA / Total Debt (times)	0.28	0.13	0.09
Gearing (times)	1.79	2.97	6.14
Total Debt / PBDIT (times)	2.77	4.52	5.21

Aries Agro Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2	Stable
Rating History				
27/Jul/2009	A-**		A2**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Aries Agro Ltd (Aries Agro) and its subsidiaries, Aries Agro Care Pvt Ltd (AAC), Aries Agro Equipments Pvt Ltd (AAE), and Golden Harvest Middle East FZC (GHME), collectively referred to as the Aries group.

Incorporated in 1969, Aries Agro manufactures and markets micronutrients. The group introduced chelation technology in manufacturing micronutrients to India, and is the market leader in the same. Headquartered in Mumbai, the company has seven manufacturing units in India, in addition to an overseas subsidiary for manufacture and sale of chelated micronutrients. The company was founded by Dr. T B Mirchandani and Ms. Bala Mirchandani. Presently, the company is being managed by Dr. Jimmy Mirchandani and Dr. Rahul Mirchandani, the sons of the founders. Among the group companies, GHME, based in the United Arab Emirates, manufactures sulphur-based chelated micronutrients, AAE imports and trades in farm equipment, and AAC trades in seeds.

Rating Strengths

- Strong presence in micronutrients market, supported by efficient marketing
- Extensive experience of promoters

Rating Weaknesses

- Limited geographical diversity in revenue profile
- Exposure to debtors risk

Outlook: Stable

CRISIL believes that the Aries group will continue to benefit over the medium term from its established position in the micronutrients market in India and focused marketing initiatives. The outlook may be revised to 'Positive' if the group's business risk profile improves, driven most likely by a substantial increase in turnover and improvement in operating margin. Conversely, the outlook may be revised to 'Negative' if there is a decline in the group's profitability, most likely because of delays in realisations or increase in delinquencies, leading to added pressure on liquidity.

Key Rating Sensitivity Factors

- Introduction of government controls/regulations on pricing of micronutrients
- Extreme climatic events such as floods and droughts, resulting in defaults/delinquencies
- Ability to maintain healthy growth and operating profitability

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1778	1509	1115
OPBDIT	407	315	177
PAT	199	160	39
Tangible Networth	1347	1099	987
Total Debt	1344	832	683
OPBDIT Margins (%)	22.9	20.9	15.8
Net Profit Margins (%)	11.2	10.6	3.5
Interest cover (times)	3.66	4.74	1.78
NCA / Total Debt (times)	0.15	0.19	0.08
Gearing (times)	1.00	0.76	0.69
Total Debt / PBDIT (times)	3.18	2.65	4.22

Arya Vaidya Sala

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
30/Mar/2009	A+**		A1+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Arya Vaidya Sala (AVS), Kotakkal, founded in 1902 as a proprietary concern, was reconstituted as a charitable trust in 1944 as per the will of its founder, the late Vaidyaratnam P S Varier. The trust manufactures and sells ayurvedic medicines, runs five ayurvedic hospitals, and undertakes activities to promote ayurveda. AVS also undertakes research activities related to ayurveda which are funded by various governmental and non-governmental organisations.

Rating Strengths

- Healthy market position in ayurvedic formulations segment
- Strong financial risk profile, supported by trust structure

Rating Weaknesses

- Limited geographical diversity
- Large working capital requirements

Outlook: Stable

CRISIL believes that AVS will maintain its healthy market position over the medium term, backed by its established brand and strong reputation. The outlook may be revised to 'Positive' in case of a significant improvement in its scale of operations supported by increase in regional diversity in its revenues. Conversely, the outlook may be revised to 'Negative' in case of a decline in its operating margin, or if the trust undertakes a large, debt-funded capital expenditure programme (capex) or increases its non-profitable activities.

Key Rating Sensitivity Factors

- Profit margins
- Capex plans, and their funding mix
- Impact on cash flows, of increasing charitable activities
- Benefits from government including tax exemption

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1,385	1,188	1,085
OPBDIT	152	139	137
PAT	69	63	74
Tangible Networth	808	746	704
Total Debt	125	152	73
OPBDIT Margins (%)	10.1	10.7	11.6
Net Profit Margins (%)	4.6	4.8	6.3
Interest cover (times)	14.97	5.47	41.51
NCA / Total Debt (times)	0.87	0.62	1.33
Gearing (times)	0.16	0.20	0.10
Total Debt / PBDIT (times)	1.08	1.34	0.74

Ashirvad Pipes Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
13/Jul/2011	A-		A2+	Stable
10/May/2010	BBB+		A2+	Positive
9/Feb/2009	BBB+**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Set up in 1997 by Mr. Pawan Poddar and his brothers, Ashirvad Pipes Pvt Ltd (APPL) mainly manufactures unplasticised polyvinyl chloride (UPVC) and chlorinated polyvinyl chloride (CPVC) pipes and fittings. UPVC pipes are used in deep bore wells of up to 1200 feet in depth, while CPVC pipes are used in residential and commercial buildings. APPL is one of the three licensees of Lubrizol Corporation Inc, USA (Lubrizol; rated 'BBB+/Stable' by Standard and Poor's) in India to manufacture CPVC pipes and fittings. APPL has more than 800 direct dealers and more than 12,000 sub-dealers across India. The company is currently expanding its capacity. By the end of September 2011, APPL is expected to have capacity of 34,000 tonnes for polyvinyl chloride (PVC) pipes, 18,000 tonnes for CPVC pipes and new capacity of 8000 tonnes for manufacture of SWR pipes (sewer pipes).

Rating Strengths

- Diversified revenue profile and established market position in UPVC and CPVC pipes and fittings segments
- Healthy financial risk profile

Rating Weakness

- Exposure to supplier concentration risks and intensifying competition

Outlook: Stable

CRISIL believes that APPL will maintain its improved business risk profile over the medium term, on the back of strong revenue growth, improving profitability, and higher capacity utilisation. The company's financial risk profile is expected to remain healthy despite the debt-funded capital expenditure (capex). The outlook might be revised to 'Positive' if APPL sustains the improvement in its market position while maintaining its profitability and capital structure. Conversely, the outlook may be revised to 'Negative' if the company fails to maintain its profitability at the current level owing to intensifying competition, or reports less-than-expected revenue, or undertakes a more-than-expected debt-funded capex.

Key Rating Sensitivity Factors

- Relationship with overseas licensor
- Large, debt-funded capex.

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	4441	3,079	1,817
OPBDIT	603	428	235
PAT	280	199	104
Tangible Networth	750	469	267
Total Debt	851	468	207

OPBDIT Margins (%)	13.6	13.9	13.1
Net Profit Margins (%)	6.3	6.5	5.8
Interest cover (times)	8.93	10.77	9.18
NCA / Total Debt times)	0.46	0.58	0.73
Gearing (times)	1.14	1.00	0.78
Total Debt / PBDIT (times)	1.41	1.11	0.89

Ashoka Buildcon Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
14/Jan/2011	A+		A1	Stable
3/Feb/2010	A-		A2+	Positive
6/Jul/2009	A- /A-(SO)		A2+	Stable
9/May/2008	BBB+/ A-(SO) **		A2**	Stable

***Initial Bank loan rating assigned*

Company Background:

Set up in 1993, Ashoka Buildcon Limited (ABL) initially provided civil construction services, mainly for the construction of industrial and institutional buildings. Currently, ABL's business segments comprise the build-operate-transfer (BOT) road projects and EPC divisions, besides the ready-mix concrete (RMC) and bitumen division. In the BOT division, the company has 12 projects in the tolling phase, 5 in the construction phase, and 6 foot-over bridges from which it generates advertising revenues. In the engineering, procurement and construction (EPC) division, ABL constructs roads and bridges for its own BOT projects as well as for third parties. It has also started executing EPC projects in the power distribution space. ABL raised Rs.2.25 billion through an initial public offering in October 2010.

ABL is headed by Mr. Ashok Katariya (chairman/promoter), who has experience of more than 32 years in the construction industry. He worked with the Public Health Department, Maharashtra, before venturing into civil construction and infrastructure development. Mr. Satish D Parakh (managing director/promoter) has experience of more than 27 years in the construction industry.

Rating Strengths

- Established track record in BOT (toll) road projects
- Healthy financial risk profile and strong financial flexibility
- Above-average operating efficiencies

Rating Weaknesses

- Increasing exposure to large BOT projects
- Working-capital-intensive operations

Outlook: Stable

CRISIL believes that ABL will benefit over the medium term from its established track record in the EPC and BOT segments and its large order book. Furthermore, CRISIL believes that ABL will fund its investment in its upcoming BOT projects mainly through its healthy internal accruals and by leveraging its SPVs with healthy debt service coverage ratios (DSCRs). The outlook may be revised to 'Positive' if ABL registers a sustained increase in revenues and maintains its profitability, leading to significant improvement in its financial risk profile. Conversely, the outlook may be revised to 'Negative' if ABL bids aggressively for its new BOT projects or contracts more debt to fund its investments in its upcoming SPVs, which could constrain its financial risk profile.

Key Rating Sensitivity Factors

- Aggressive bidding on BOT projects
- Change in capital structure
- Change in order book for EPC business
- Time or cost overrun in ongoing projects

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	10021	7035	2926
OPBDIT	1504	1222	618
PAT	747	442	223
Tangible Networth	3925	3178	2736
Total Debt	3393	3385	3222
OPBDIT Margins (%)	15.0	16.4	18.8
Net Profit Margins (%)	7.4	6.0	6.8
Interest cover (times)	4.80	2.92	2.46
NCA / Total Debt (times)	0.32	0.23	0.13
Gearing (times)	0.86	1.07	1.18
Total Debt / PBDIT (times)	2.01	2.58	4.24

Ashoka Infrastructure Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-(SO)			Stable
Rating History				
14/Jan/2011	A-(SO)			Stable
3/Feb/2010	A-			Positive
7/Jul/2009	A-			Stable
9/May/2008	BBB+**			Stable

***Initial Bank loan rating assigned*

Company Background:

Ashoka Infrastructure Limited (AIL), a wholly owned subsidiary of Ashoka Buildcon Ltd (ABL; rated 'CRISIL A+/Stable/CRISIL A1'), operates the 216-kilometre, 4-lane Pune-Shirur section of Maharashtra State Highway 60. The tolling on this road started in July 2005, and the concession period extends to July 2015. There was a temporary stoppage of toll collections between December 2010 and January 2011.

Set up in 1993, ABL initially provided civil construction services, mainly for the construction of industrial and institutional buildings. Currently, ABL's business comprises the build-operate-transfer (BOT) road projects and engineering, procurement and construction (EPC) divisions, besides the ready-mix concrete and bitumen division. In the BOT division, the company has 12 projects in the tolling phase, 5 in the construction phase, and 6 foot over bridges from which it generates advertising revenues. In the EPC division, ABL constructs roads and bridges for its own BOT projects as well as for third parties. It has also started executing EPC projects in the power distribution space. ABL raised Rs.2.25 billion through an initial public offering in October 2010.

Rating Strengths

- Consistent track record of above-average toll collection

Rating Weakness

- Planned securitization of toll receivables may lead to deterioration of debt-protection measures

Outlook: Stable

CRISIL believes that AIL will continue to benefit over the medium term from its consistent and healthy track record of toll collections. The outlook will be revised to 'Positive' if AIL's toll collections are better than expected, leading to significant improvement in the company's debt protection metrics. Conversely, the outlook will be revised to 'Negative' if the company contracts more-than-expected securitised debt, or if lower-than-expected toll collections lead to deterioration in its debt protection metrics.

Key Rating Sensitivity Factors

- Change in extent of leverage
- Changes in toll collections

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	320	304	296
OPBDIT	286	276	276
PAT	53	25	8
Tangible Networth	465	412	387
Total Debt	510	706	858
OPBDIT Margins (%)	89.2	90.4	93.0
Net Profit Margins (%)	16.5	8.3	2.8
Interest cover (times)	4.44	3.07	2.54
NCA / Total Debt (times)	0.43	0.27	0.20
Gearing (times)	1.10	1.71	2.22
Total Debt / PBDIT (times)	1.73	2.48	3.01

Ashoka Infraways Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A (SO)			Stable
Rating History				
29/Feb/2012	A (SO)			Stable
14/Jan/2011	A-(SO)			Stable
3/Feb/2010	A-			Positive
6/Jul/2009	A-			Stable
9/May/2008	BBB+**			Stable

***Initial Bank loan rating assigned*

Company Background:

Ashoka Infraways Private Limited (AIPL), a wholly owned subsidiary of Ashoka Buildcon Ltd (ABL; rated 'CRISIL A+/Stable/CRISIL A1'), operates a toll road, on a build-operate-transfer (BOT) basis, the bypass around Dewas city in Madhya Pradesh (on National Highway 3 and linked to Bhopal, Indore, Ujjain, and Maksi) on a two-lane stretch of 39.6 kilometres. The toll collection on this road started in May 2004. The company is currently operating the toll road under an additional concession period awarded until August 2015.

Set up in 1993, ABL initially provided civil construction services, mainly for the construction of industrial and institutional buildings. Currently, ABL's business comprises the BOT road projects and engineering, procurement and construction (EPC) divisions, besides the ready-mix concrete (RMC) and bitumen division. In the BOT division, the company has 14 projects in the tolling phase, 4 in the construction phase, and 6 foot-over bridges from which it generates advertising revenues. The company has transferred three BOT projects at the end of the concession periods to National Highways Authority of India). In the EPC division, ABL constructs roads and bridges for its own BOT projects as well as for third parties. It also executes EPC projects in the power distribution space. In the RMC division, the company has 16 RMC plants with a combined production capacity of 725 cubic meters per hour, 122 concrete transit trucks and 20 concrete pumps.

Rating Strengths

- Consistent track record of toll collection
- Presence of trustee-monitored escrow mechanism, ensuring prioritisation of project debt repayment with first charge on future toll receivables

Rating Weakness

- Revenue risks associated with toll collection on account of variation in traffic volume

Outlook: Stable

CRISIL believes that AIPL will continue to benefit over the medium term from its consistent and healthy track record of toll collections. The outlook may be revised to 'Positive' if AIPL's toll collections are better than expected, leading to significant improvement in the company's debt protection metrics. Conversely, the outlook may be revised to 'Negative' if AIPL contracts large securitised debt, or if less-than-expected toll collections lead to deterioration in its debt protection metrics.

Key Rating Sensitivity Factors

- Further securitisation debt
- Changes in toll collections

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	166	119	119
OPBDIT	153	108	111
PAT	71	21	18
Tangible Networth	202	130	110
Total Debt	517	621	321
OPBDIT Margins (%)	91.6	90.7	92.8
Net Profit Margins (%)	42.9	17.4	14.7
Interest cover (times)	3.33	2.09	2.92
NCA / Total Debt (times)	0.24	0.12	0.22
Gearing (times)	2.56	4.76	2.93
Total Debt / PBDIT (times)	2.55	4.15	2.84

Ashwini Traders

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
29/Nov/2010	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

CRISIL has combined the business and financial risk profiles of Ashwini Traders (Ashwini), Shree Tirupati Cotton Corporation (STCC), Shree Siddhivinayaka Cotton Corporation (SSCC), Sri Balaji & Co (SBC), and Shree Radhalakshmi Cotton Pvt Ltd (SRCPL), collectively referred to as the Radhalaxmi Group.

The Radhalaxmi group, promoted by Late Mr. Shivdas Ganatra started its operations in 1981. The group is engaged in trading of cotton. M/s Radhalaxmi Cotton, the flagship entity of the group was initially, a partnership firm of the Ganatra family members. M/s Radhalaxmi Cotton was converted into a private limited company, SRCPL in 1997.

Over the years, Mr Atul Ganatra (son of Mr. Shivdas Ganatra) expanded the group's operations by setting up various cotton trading entities, viz. SBC (1994), STCC (1995), Ashwini (1998), SSCC (1999).

Rating Strengths

- Industry experience of promoters, and adequate risk management policies
- Healthy financial risk profile

Rating Weakness

- Vulnerability to changes in crop pattern, intense competition and changes in the regulatory framework

Outlook:Stable

CRISIL believes that the Radhalaxmi group will continue to benefit over the medium term from its steady accruals and prudent risk management policies. The outlook may be revised to 'Positive' if the group's revenues and margins grow substantially, and its debt protection metrics improve. Conversely, the outlook may be revised to 'Negative' if the group's debt protection metrics weaken because of lower-than-expected growth in revenues and margin, or large, debt-funded capital expenditure (capex), or significant deterioration in working capital cycle.

Key Rating Sensitivity Factors

- Impact of government policies
- Large debt funded capex

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1,706	1,285	1,978
OPBDIT	78	56	59
PAT	95	77	62
Tangible Networth	289	239	163
Total Debt	258	63	36
OPBDIT Margins (%)	4.5	4.2	2.9
Net Profit Margins (%)	5.5	5.9	3.1
Interest cover (times)	37.17	68.42	59.92
NCA / Total Debt (times)	0.37	1.22	1.75
Gearing (times)	0.89	0.27	0.22
Total Debt / PBDIT (times)	2.64	0.81	0.56

Asian Concretes and Cements Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
22/Dec/2010	A+**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Asian Concretes and Cements Private Limited (ACPL) was incorporated in June 2009 and promoted by Mr. Harish Agarwal. The company commenced operations by taking over the partnership firm, Asian Cement Company. ACPL undertakes job work for manufacturing and grinding cement for ACC Ltd (ACC, rated 'CRISIL AAA/Stable/CRISIL A1+') exclusively. ACPL is the only company undertaking the jobwork business of ACC in state of Himachal Pradesh; ACC owns 45 per cent of ACPL's equity shares.

ACPL has two units with a combined capacity of 3900 tonnes per day (tpd) at Solan (Himachal Pradesh). The 900-tpd capacity unit started operations in April 2006 and is exempted from excise duty till 2016 and income tax till 2011 (30 per cent income tax exemption thereafter till 2016). The 3000-tpd unit became operational in March 2010 and is exempted from excise duty till 2019 and income tax till 2014 (30 per cent income tax exemption thereafter till 2019).

Rating Strengths

- Comfortable financial risk profile
- Stable business risk profile because of established relations with ACC

Rating Weakness

- Exposure to risk related to client concentration

Outlook: Stable

CRISIL believes that ACPL will continue to benefit over the medium term from its established relations with ACC and promoter's experience in the cement manufacturing business. The outlook may be revised to 'Positive' if ACPL's operating efficiency improves because of stabilisation of operations at its newly established 3000-tonne-per-day (tpd) unit, leading to improvement in cash accruals and capital structure. Conversely, the outlook may be revised to 'Negative' if ACPL undertakes a large debt-funded capital expenditure (capex), or if its operating income and profitability decline affecting its ability to service debt.

Key Rating Sensitivity Factors

- Capex plans and funding pattern thereof
- Working capital management
- Sustainability of profitability
- Continuation of relationship with ACC

Financial Performance

Rupees Million	31-Mar-10
Net Sales	109
OPBDIT	66
PAT	54
Tangible Networth	305
Total Debt	421

OPBDIT Margins (%)	60.6
Net Profit Margins (%)	49.5
Interest cover (times)	50.12
NCA / Total Debt (times)	0.03
Gearing (times)	1.38
Total Debt / PBDIT (times)	6.31

ASK Automotives Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Stable
Rating History				
29/Sep/2011	A+**			Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at the rating, CRISIL has combined the business and financial risk profiles of AA Autotech Pvt Ltd (AAAPL) and ASK Automotives Pvt Ltd (ASK), together referred to as the ASK group.

Incorporated in 1988, ASK is promoted by Mr. K S Rathee and his wife, Mrs. Vijay Rathee. The company manufactures components mainly used in the two-wheeler drum braking systems, including friction material such as brake shoes, which contributes to around 60 per cent to the ASK group's total revenues. ASK also manufactures other aluminum pressure die-casted and machined components, such as brake panels, crank cases, and hubs, which account for the remaining of the revenues. The company's manufacturing activities are carried out from its five manufacturing units located in Gurgaon (Haryana) and one unit in Haridwar (Uttrakhand). ASK has a total production capacity of around 70 million brake shoes per annum and 400 tonnes per month (tpm) of pressure die castings.

AAAPL started operations in January 2011 and manufactures pressure die casted (PDC) components. AAAPL manufactures small and heavy components mainly for the two-wheeler industry, with manufacturing capacity of 1000 tpm of castings. The Ask group's customer profile comprises all the leading original equipment manufacturers (OEMs) in the two-wheeler segment: and Tier-1 component suppliers.

Rating Strengths

- Diversified revenue profile and established market
- Strong financial risk profile driven by healthy cash accruals
- Strong market position in friction material for two-wheeler segment, with healthy operating efficiency

Rating Weakness

- High customer and end-user industry concentration in revenues

Outlook: Stable

CRISIL believes that the ASK group will continue to benefit over the medium term from its healthy market position in the two-wheeler friction material segment. The outlook may be revised to 'Positive' if the group scales up its operations substantially or achieves revenue diversity. Conversely, the outlook may be revised to 'Negative' if the ASK group undertakes a larger-than-expected debt-funded capital expenditure (capex), or if there is any pressure on its revenues and profitability, adversely impacting its financial risk profile.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Exposure to group entities
- Working capital management
- Ramp-up in revenues and profitability

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	3,232	2,108	1,651
OPBDIT	480	327	233
PAT	305	182	120
Tangible Networth	1,222	763	580
Total Debt	462	133	109

OPBDIT Margins (%)	14.8	15.4	14.0
Net Profit Margins (%)	9.4	8.5	7.2
Interest cover (times)	18.63	36.32	9.79
NCA / Total Debt times)	0.75	1.59	1.32
Gearing (times)	0.38	0.17	0.19
Total Debt / PBDIT (times)	0.96	0.41	0.47

Aspinwall and Company Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
27/Apr/2011	A-		A2+	Stable
23/Mar/2010	BBB+**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Aspinwall and Company Limited (AACL) is a public limited company, incorporated in 1920. The erstwhile royal family of Travancore (present-day Kerala) has a controlling stake of 65 per cent in the company. Mr. Rama Varma is the managing director. The company is into various businesses, including logistics (generates 49 per cent of revenues), coffee (34 per cent), rubber plantation (9 per cent), coir (5 per cent), travel (1 per cent) and others (the rest). The company is one of the earliest entrants in the logistics' services business in India. AACL's logistics, rubber plantation, coir, and travel businesses are headquartered in Kochi (Kerala), while its coffee division is headquartered in Mangalore (Karnataka).

Rating Strengths

- Diverse revenue stream and experienced management
- Healthy financial risk profile

Rating Weaknesses

- Volatility in revenues and margins
- Working-capital-intensive operations

Outlook: Stable

CRISIL believes that AACL will maintain the diversity in its revenue profile and healthy capital structure, over the medium term. The outlook may be revised to 'Positive' if AACL reports larger-than-expected improvement its revenues and profitability while maintaining its capital structure. Conversely, the outlook may be revised to 'Negative' if AACL undertakes a larger-than-expected, debt-funded capital expenditure (capex) programme or unrelated diversification programme, leading to weakening in its financial risk profile.

Key Rating Sensitivity Factors

- Unrelated diversification
- Support to group companies
- Debt-funded capex
- Continuation of family synergies

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1,690	1,805	1,632
OPBDIT	153	142	138
PAT	103	84	463
Tangible Networth	847	759	688
Total Debt	268	358	191
OPBDIT Margins (%)	8.8	7.6	8.4
Net Profit Margins (%)	6.0	4.5	28.1
Interest cover (times)	7.68	5.69	24.92
NCA / Total Debt times)	0.46	0.29	2.51
Gearing (times)	0.32	0.47	0.28
Total Debt / PBDIT (times)	1.33	2.02	0.30

Associated Soapstone Distributing Company Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Positive
Rating History				
22/Feb/2011	A-		A2+	Positive
4/May/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Established in 1956, Associated Soapstone Distribution Company Pvt Ltd (ASDC) is a part of the Golcha group. It mines and sells crude and powdered talc (soapstone/steatite) and undertakes contract mining. ASDC has 11 leased mines in Udaipur (Rajasthan), with an average talc to overburden ratio of 1:15. The company has seven plants with an annual processing capacity of 0.475 million tonnes per annum (tpa) of talc.

ASDC entered the field of contract mining in 2004, when it won the bid from Rajasthan State Mines and Minerals Ltd (RSMM) for mining rock phosphate and another, minerals for Gujarat Mineral Development Corporation (GMDC) for removal of overburden in lignite mines in Gujarat.

Rating Strengths

- Diversified business risk profile and healthy operating efficiency
- Healthy financial risk profile

Rating Weaknesses

- Concentration of revenues in domestic market
- Tender-based revenue stream and high capital intensity in contract mining segment

Outlook: Positive

CRISIL believes ASDC's credit risk profile could improve over the medium term if the company maintains its current sales growth trajectory and growth in profitability. The ratings may be upgraded if ASDC reports higher-than-expected sales growth or further improvement in capital structure most probably because of lower investment towards enhancement of mining capacity. Conversely, the outlook may be revised to 'Stable' if there is a decline in ASDC's profitability, adversely impacting its cash accruals, or if the company undertakes a larger-than-expected debt-funded capital expenditure (capex), thereby weakening its capital structure beyond expectation.

Key Rating Sensitivity Factors

- Timely renewal of lease for talc mines
- Change in regulatory environment for mining in the Aravalli ranges of Rajasthan
- Future acquisition of new mines
- Capex plans and their funding mix

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1179	1077	966
OPBDIT	257	265	218
PAT	87	92	81
Tangible Networth	387	305	219
Total Debt	399	418	457

OPBDIT Margins (%)	21.7	24.5	22.4
Net Profit Margins (%)	7.3	8.5	8.3
Interest cover (times)	5.86	5.20	6.54
NCA / Total Debt (times)	0.39	0.37	0.27
Gearing (times)	1.03	1.37	2.09
Total Debt / PBDIT (times)	1.58	1.60	2.09

Astra Microwave Products Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
9/Jun/2010	A+		A1	Stable
26/Mar/2009	A+**		A1+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Incorporated in 1991 as a private limited company, Astra Microwave Products Limited (AMPL) was converted into a public limited company in 1993. Promoted by Mr. B Malla Reddy, Mrs. C Pramelamma, and Mr. P A Chitrakar, the company designs, develops, and manufactures customised sub-systems and components for microwave communication systems used in the defence, space, and telecommunication sectors.

The company had a wholly owned subsidiary, Komoline Electronics Pvt Ltd (KEPL), which caters to the space applications segment and provides high-reliability fabrication for payloads, satellite ground check out systems, and satellite ground communication systems and equipment. In July 2011, AMPL sold its entire stake in KEPL.

Rating Strengths

- Established business presence backed by experienced and qualified management and strong relationship with customers
- Strong in-house capabilities in microwave radio frequency (RF) applications domain
- Strong financial risk profile

Rating Weaknesses

- Tender-based business, limited long-term revenue visibility, and long gestation period for projects
- Susceptibility to long gestation period of projects and to revenue concentration in the defence sector
- Working-capital–intensive operations

Outlook: Stable

CRISIL believes that AMPL will continue to benefit over the medium term from its established relationships with defence and allied establishments, its strong in-house capabilities, and its good track record. The outlook may be revised to 'Positive' if the company improves its business risk profile by diversifying its revenues across different segments and increasing its scale of operations. Conversely, the outlook may be revised to 'Negative' in case of a sharp decline in AMPL's order book or profitability, or if the company undertakes a large debt-funded capital expenditure (capex) programme, resulting in deterioration in its financial risk profile.

Key Rating Sensitivity Factors

- Changes in defence procurement policies and government expenditure on defence
- Extent of debt-funded capex

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1038	1135	1212
OPBDIT	251	330	431
PAT	70	157	203
Tangible Networth	1299	1245	1119
Total Debt	471	411	691
OPBDIT Margins (%)	24.1	29.0	35.3
Net Profit Margins (%)	6.7	13.8	16.6
Interest cover (times)	6.43	9.98	8.93
NCA / Total Debt (times)	0.33	0.52	0.39
Gearing (times)	0.36	0.33	0.62
Total Debt / PBDIT (times)	1.86	1.22	1.58

Astral Poly Technik Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
8/Jul/2010	A		A1	Stable
5/Sep/2008	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Set up in 1996 as a private limited company by Mr. Sandeep Engineer (managing director), Astral Poly Technik Limited (ATPL) went public in 2007. Astral manufactures and trades in chlorinated poly vinyl chloride (CPVC) and lead-free poly vinyl chloride (PVC) plumbing systems for residential, commercial, and industrial applications; CPVC is mainly a substitute for galvanised iron pipes. Astral entered into a licensing agreement (CPVC resin, a raw material for CPVC, is a patented product) with Lubrizol Corporation (Lubrizol, formerly Noveon; rated 'BBB+/Stable' by Standard & Poor's) in 1997 to manufacture products under the FlowGuard brand and was Lubrizol's first licensee in India.

In 1998, Astral entered into a techno-financial joint venture with Specialty Process LLC, USA (Specialty, an investment arm of Thompson Plastics, US) for technical expertise for manufacturing CPVC pipes and fittings and also part funding the company's expansion plans. The company started CPVC production in 1999 and subsequently started manufacture of lead-free PVC pipes in 2004. It has commissioned two plants, one in Gujarat and the other in Himachal Pradesh. As on March 31, 2011, Astral had total manufacturing capacity of 48,432 tonnes per annum.

Rating Strengths

- Leadership position in niche CPVC pipes and fittings segment
- Strong financial risk profile

Rating Weaknesses

- Exposure to increasing competition, single-supplier concentration risk, fluctuation in foreign currency exchange rates
- Working-capital-intensive nature of operations

Outlook: Stable

CRISIL believes that ATPL will continue to benefit over the medium term from its established position in the niche CPVC segment, its proposed product launches, and ongoing capacity expansion. CRISIL also believes that the company will maintain its conservative gearing during the same period. The outlook may be revised to 'Positive' in case of higher-than-expected offtake for the company's new product range in both the PVC and CPVC segment along with an improved operating margin, leading to improvement in its overall credit risk profile. Conversely, the outlook may be revised to 'Negative' in case of significant deterioration in the company's operating margins due to higher-than-envisaged competition or fluctuation in foreign currency exchange rates, or large debt-funded expansion beyond present expectations leading to weakening of the company's capital structure.

Key Rating Sensitivity Factors

- Size of capital expenditure plans and their funding mix
- Management of working capital
- Ability to sustain operating margins

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2886	1927	1358
OPBDIT	429	310	205
PAT	71	142	163
Tangible Networth	1169	915	786
Total Debt	682	623	321

OPBDIT Margins (%)	14.8	15.9	15.1
Net Profit Margins (%)	9.7	7.3	12
Interest cover (times)	9.72	2.74	15.34
NCA / Total Debt (times)	0.50	0.31	0.59
Gearing (times)	0.58	0.68	0.41
Total Debt / PBDIT (times)	1.45	1.8	1.37

Atria Power Corporation Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
13/Apr/2009	A**			Stable

***Initial Bank loan rating assigned*

Company Background:

Established in 1995, Atria Power Corporation Limited (APCL) is a hydroelectric power generating company, with an 18 megawatts (MW) plant on River Shimsha in Mandya (Karnataka). APCL is setting up an additional 6 MW plant near the existing unit, to be funded out of internal accruals; the upcoming unit is expected to be operational by July 2011.

Rating Strengths

- Healthy financial risk profile
- Stable revenues because of assured off-take from Bangalore Electricity Supply Company Ltd (BESCOM)

Rating Weaknesses

- Exposure to hydrology risk
- Susceptibility to delayed receivables from BESCOM
- Significant exposure to associate entities

Outlook: Stable

CRISIL believes that APCL will continue to benefit from the steady offtake of power by BESCOM over the medium term. The outlook may be revised to 'Positive' if APCL enhances its plant load factor (PLF) consistently, and increases its cash flows. Conversely, the outlook may be revised to 'Negative' if APCL faces delays in realising receivables from BESCOM, or the company's financial risk profile deteriorates owing to increased exposure to associate companies.

Key Rating Sensitivity Factors

- Low PLF
- Significant debt-funded capital expenditure
- Support to weak group entities
- Continuation of family group synergies
- Political events preventing flow of water to Tamil Nadu

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	287	303	239
OPBDIT	268	282	229
PAT	263	269	199
Tangible Networth	1320	1055	786
Total Debt	83	16	42

OPBDIT Margins (%)	93.4	93.1	95.9
Net Profit Margins (%)	91.7	88.7	83.5
Interest cover (times)	157.19	84.78	23.02
NCA / Total Debt (times)	3.44	19.10	5.49
Gearing (times)	0.06	0.01	0.05
Total Debt / PBDIT (times)	0.29	0.05	0.18

Automotive Manufacturers Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
21/Jul/2011	A-		A2+	Stable
4/May/2010	BBB+		A2	Positive
8/April /2009	BBB+		A2	Stable
20/May/2008	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background

For arriving at the ratings, CRISIL has combined the financials of Automotive Manufacturers Private Limited (AMPL) and its wholly owned subsidiary, Olympus Motors Pvt Ltd (Olympus Motors; rated 'CRISIL BBB-/Stable/CRISIL A3').

Set up in 1948, AMPL is an authorised dealer for Ashok Leyland Ltd's (ALL's; rated 'CRISIL AA-/Stable/CRISIL A1+') commercial vehicles (CVs), Maruti Suzuki India Ltd (MSIL's; 'CRISIL AAA/Stable/CRISIL /A1+')'s vehicles and Mahindra & Mahindra Ltd's (M&M's; 'CRISIL AA+/Stable/CRISIL A1+') vehicles. AMPL also purchases and sells pre-owned cars for MSIL. The company also undertakes sales of Kobelco earth moving equipment. The company ventured into a dealership for Audi AG in December 2007 through its wholly owned subsidiary, Olympus Motors. In 2010-11, AMPL set up a showroom in Hyderabad for distribution of Porsche AG (Porsche) vehicles. Currently, AMPL operates in Maharashtra, Andhra Pradesh, and Gujarat.

Rating Strengths

- Established position in automotive dealership market
- Moderate financial risk profile

Rating Weakness

- High dependence on cyclical CV segment for business growth
- Low operating profitability because of trading nature of business

Outlook: Stable

CRISIL believes that AMPL will continue to benefit over the medium term from its established market position in the vehicles dealership business. The company is also likely to maintain its financial risk profile during this period, backed by steady cash accruals. The outlook may be revised to 'Positive' in case of better-than-expected business performance marked by substantial improvement in operating profits, or if AMPL diversifies its customer profile further. Conversely, the outlook may be revised to 'Negative' if there is a significant decline in the company's cash accruals, if its financial risk profile deteriorates, because of a large, debt-funded capital expenditure (capex), or in case of larger-than-expected incremental working capital requirements.

Key Rating Sensitivity Factors

- Significant increase in gearing because of debt-funded capex or increased working capital requirements, and reduced cash generation
- Sale of investments or surplus real estate, leading to lower debt level

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	33349	26,098	20,791
OPBDIT	530	491	471
PAT	366	218	152
Tangible Networth	1842	1,534	1,300
Total Debt	1499	1,643	1,661

OPBDIT Margins (%)	1.6	1.9	2.2
Net Profit Margins (%)	1.1	0.8	0.7
Interest cover (times)	4.70	3.42	3.17
NCA / Total Debt (times)	0.30	0.18	0.16
Gearing (times)	0.81	1.07	1.28
Total Debt / PBDIT (times)	1.96	2.70	3.12

Automotive Stampings & Assemblies Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
14/May/2010	A		A1	Stable
26/May/2009	A		A1	Negative
27/Mar/2008	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Automotive Stampings & Assemblies Ltd (ASAL) commenced operations in 1990 as JBM Tools Ltd, to manufacture a range of sheet-metal components and assemblies. JBM Tools Ltd became a joint venture (JV) between Tata Autocomp Systems Ltd (TACO, rated 'CRISIL AA-/Stable/CRISIL A1+'), a Tata group company, and SK Arya and Associates (SKAA), in 1997. In April 2002, TACO and SKAA decided to terminate their JV in ASAL; consequently, SKAA transferred its entire holding of 29.45 per cent in ASAL to TACO and Tata Industries Ltd (rated 'CRISIL AA/Stable/CRISIL A1+'). ASAL got its current name in August 2003.

In 2007, TACO diluted its stake by offloading a part of its holding in the open market to comply with minimum public shareholding requirement of the Listing Agreement and by selling 37.5 per cent stake to Gestamp, a leading global manufacturer of metal components and structural systems for the automotive industry. Following this, TACO and Gestamp held 37.5 per cent stake each in ASAL, while the rest was held by the public and others. Subsequently in December 2010, Gestamp divested its stake in favour of TACO; TACO presently holds 75 per cent stake in ASAL. ASAL principally supplies sheet-metal components and welded assemblies for Tata Motors Ltd's (Tata Motors, rated 'CRISIL AA-/Stable/CRISIL A1+') passenger cars and commercial vehicles.

Rating Strengths

- Strong business and financial support from Tata Motors and TACO
- Adequate operating efficiencies
- Average but improving financial risk profile

Rating Weakness

- Limited product, geographical, and customer diversity, and low value-added nature of operations

Outlook: Stable

CRISIL believes that ASAL's expected steady revenue growth and adequate cash generation will help mitigate the adverse impact of its partly debt-funded capital expenditure (capex). More-than-expected revenue growth and profitability, or equity infusion, leading to more-than-expected improvement in ASAL's gearing and key debt protection metrics, could render a positive bias to the rating. Conversely, sluggish revenue growth and profitability, larger-than-expected debt-funded capex, leading to deterioration in the company's key debt protection metrics and gearing could render a negative bias to the rating. Moreover, the rating remains sensitive to any change in the rating on TACO.

Key Rating Sensitivity Factors

- Degree of success in obtaining orders from new original equipment manufacturers (OEMs)
- Managing pricing pressures
- Equity infusion
- Additional debt-funded capex

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	4626	3527	2683
OPBDIT	333	264	166
PAT	102	51	-24
Tangible Networth	289	229	206
Total Debt	605	525	707

OPBDIT Margins (%)	6.3	6.4	4.8
Net Profit Margins (%)	1.9	1.2	-0.7
Interest cover (times)	4.97	3.62	2.00
NCA / Total Debt (times)	0.32	0.30	0.13
Gearing (times)	2.09	2.30	3.43
Total Debt / PBDIT (times)	1.79	1.88	3.83

Autotech Industries (India) Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
11/Aug/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Autotech was set up in 1984 as a partnership firm (Autotech Industries) by Mr. K S Jeyaraman and Mr. S Rajarathinam. Autotech was acquired by a private limited company formed and registered in 1997 under the directorship of the promoters. It manufactures precision automotive components and assemblies. The company is the sole source for rocker assemblies for most of its customers. It also specialises in other engine and power train components, such as oil pump shafts, fuel systems parts, idler shafts, and shifter shafts. The company's capacity expansion programme, involving a capex of Rs.290 million (debt component of Rs.245 million) is expected to be completed by March 2012.

Rating Strengths

- Strong financial risk profile
- Established position in automotive components industry

Rating Weaknesses

- Exposure to risks relating to concentration in revenues
- Vulnerability of margins to fluctuations in raw material prices and foreign exchange (forex) rates

Outlook: Stable

CRISIL believes that Autotech will maintain its business risk profile over the medium term on the back of its healthy client relationships. The outlook may be revised to 'Positive' if Autotech's profitability and revenue diversity improve significantly. Conversely, the outlook may be revised to 'Negative' if Autotech faces a decline in offtake from key customers, adversely affecting its revenues and margins, if the company undertakes a large, debt-funded capital expenditure (capex) programme, or faces significant delays in realising its receivables.

Key Rating Sensitivity Factors

- Slowdown in automobile industry impacting revenues
- Capex plans, and their funding mix
- Management of receivables

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1,862	1,216	1,204
OPBDIT	191	199	216
PAT	80	94	96
Tangible Networth	636	582	532
Total Debt	250	125	130
OPBDIT Margins (%)	10.2	16.3	17.8
Net Profit Margins (%)	4.3	7.7	7.9
Interest cover (times)	17.09	19.75	8.55
NCA / Total Debt (times)	0.47	0.76	0.76
Gearing (times)	0.39	0.22	0.24
Total Debt / PBDIT (times)	1.39	0.63	0.60

Avenue Supermarts Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+			**Stable**
Rating History				
30/Jul/2011	**A+****			**Stable**

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Avenue Supermarts Limited (ASL) and ASL's wholly owned subsidiaries, Align Retail Trade Pvt Ltd (ARTPL) and Avenue Food Plaza Pvt Ltd (AFPL).

ASL is engaged in the organised retail business through its D-Mart branded chain of stores. The company was incorporated in 2000 and is promoted by Mr. Radhakishan Damani, a well known equity market investor. Mr. Ignatius Navil Noronha is ASL's Chief Executive Officer and Managing Director, and has experience of more than a decade in retail operations. ASL focuses on differentiating itself by offering daily household products, including grocery items, fast-moving consumer goods (FMCGs), and apparels, at affordable prices; it caters to the mass segment. It currently operates 46 retail stores with a combined floor area of 1.1 million square feet. The stores are located in Maharashtra (29 stores, including 18 in Mumbai), Gujarat (13 stores), Karnataka (2 stores), and Andhra Pradesh (2 store).

ARTPL and AFPL are wholly owned subsidiaries of ASL. ARTPL procures grocery items, including pulses, rice, wheat, vegetables, and fruits, from local agricultural produce market committees, and packages and supplies the same to ASL, to be sold at D-Mart stores. AFPL operates fast food counters inside D-Mart stores.

Rating Strengths

- Established position in value organised retail segment, with healthy outlook for organised retail sector in India
- Healthy financial risk profile, strong and resourceful background of promoters, and extensive experience of senior management

Rating Weakness

- Susceptibility of growth to performance of recently opened stores and future store expansion initiatives

Outlook: Stable

CRISIL believes that ASL will maintain its stable business risk profile over the medium term, supported by its established market position in the organised retail segment. The outlook may be revised to 'Positive' if ASL's debt protection metrics improve, most likely driven by significantly more-than-expected net cash accruals because of healthy revenue growth from stores which are already operational or faster-than-expected stabilisation of revenues from upcoming stores. Conversely, the outlook may be revised to 'Negative' in case of significant weakening in ASL's debt protection metrics, either caused by slower-than-expected growth in operating revenues from stores which are already operational or significant pressures faced in scaling up operations at upcoming stores.

Key Rating Sensitivity Factors

- Timely implementation of and stabilisation of revenue streams from, new stores
- Rate of same store sale growth
- Foreign direct investment in retail sector and impact on existing players
- Continued association of key operating personnel

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	10320	5901	3451
OPBDIT	676	322	175
PAT	212	55	19
Tangible Networth	4180	2885	1681
Total Debt	1829	1478	1736

OPBDIT Margins (%)	6.5	5.4	5.1
Net Profit Margins (%)	2.0	0.9	0.5
Interest cover (times)	5.32	5.68	4.06
NCA / Total Debt (times)	0.24	0.14	0.07
Gearing (times)	0.44	0.51	1.03
Total Debt / PBDIT (times)	2.72	4.68	10.10

Avon Cycles Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
24/Mar/2009	A+**		A1+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Avon Cycles Ltd (Avon), set up in 1951, manufactures bicycles and bicycle components for the domestic and export markets. The company manufactures only major components such as frames, forks, and mud-guards; the rest are procured from local suppliers. Avon ventured into e-bikes in 2006-07 by setting up a manual assembly line. The company has also set up 10 windmills for power generation; five in Tamil Nadu, two in Gujarat, and one each in Maharashtra, Rajasthan, and Karnataka; these windmills have an aggregate capacity of 10.5 megawatts (MW). Avon has entered into contracts with the respective state governments for the sale of this windmill-generated power. The company also plans to venture into bicycle tyre manufacturing by setting up a greenfield unit over the medium term, involving a capital expenditure (capex) of around Rs.400 million.

Rating Strengths

- Strong financial risk profile marked by low gearing and robust debt protection metrics
- Established position in domestic bicycle industry, and location advantage

Rating Weaknesses

- Low value addition due to lack of backward integration
- Increasing exposure to unrelated investments

Outlook: Stable

CRISIL believes that Avon will maintain its established market position in the bicycle industry, over the medium term, supported by its wide distribution network, established brand name and product quality. CRISIL also believes that Avon will maintain its strong financial risk profile as it has only moderate capital expenditure (capex) plans over the medium term, which will be mainly funded through internal accruals. The outlook may be revised to 'Positive' if Avon successfully implements and stabilises its planned venture into bicycle tyre manufacturing. Conversely, the outlook may be revised to 'Negative' if Avon undertakes any large, debt-funded capex, or makes larger-than-expected investments in unrelated sectors.

Key Rating Sensitivity Factors

- Investment in unrelated businesses
- Any large, debt-funded capex

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3915	4045	3124
OPBDIT	519	447	239
PAT	310	216	130
Tangible Networth	1564	1285	1106
Total Debt	342	395	313
OPBDIT Margins (%)	13.0	10.8	7.4
Net Profit Margins (%)	7.8	5.2	4.0
Interest cover (times)	14.4	10.58	7.83
NCA / Total Debt (times)	1.12	0.61	0.41
Gearing (times)	0.22	0.31	0.28
Total Debt / PBDIT (times)	0.57	0.87	1.14

Ayurvet Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
3/Jun/2011	A-**			Stable

***Initial Bank loan rating assigned*

Company Background

Incorporated as Dabur Ayurvet Ltd, the company was set up in 1992; its name was changed to the current one in 2002. Initially, Ayurvet Ltd. (AL) was a marketing arm of Dabur India Ltd (DIL, rated 'CRISIL AAA/Stable/CRISIL A1+'), which performed manufacturing activities. In August 2005, AL commissioned its own plant at Baddi (Himachal Pradesh) for manufacturing animal healthcare products. In November 2007, AL set up another plant at Sonepat (Haryana) for manufacturing animal feed supplements. It is also developing technology for soil-free farming of animal fodder; however, the commercial operations for the same are yet to begin. The company is currently managed by Mr. Pradip Burman (part of the DIL promoter group). AL derives significant benefits from its promoters' industry experience and funding support.

Rating Strengths

- Healthy financial risk profile
- Established position in animal healthcare product segment with strong operating capabilities

Rating Weakness

- Moderate scale of operations with exposure to intense competition in animal feed supplement segment

Outlook: Stable

CRISIL believes that AL will maintain its healthy financial risk profile, supported by its comfortable accruals and absence of any major debt-funded capital expenditure (capex) plan, and benefit from its healthy operating efficiencies and its management's extensive industry experience, over the medium term. The outlook may be revised to 'Positive' in case of a significant increase in AL's scale of operations and sale of animal feed supplements. Conversely, the outlook may be revised to 'Negative' in case of any significant pressure on AL's revenues and profitability.

Key Rating Sensitivity Factors

- Significant increase in scale of the operations while maintaining incremental working capital requirements
- Maintenance of operating profitability
- Any large debt-funded capex plan
- Availability of funding support from promoters when necessary

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	595	500	441
OPBDIT	90	68	44
PAT	63	38	52
Tangible Networth	368	326	306
Total Debt	87	99	164

OPBDIT Margins (%)	14.6	13.5	9.6
Net Profit Margins (%)	10.2	7.5	11.4
Interest cover (times)	7.96	4.24	4.24
NCA / Total Debt times)	0.67	0.48	0.40
Gearing (times)	0.24	0.30	0.53
Total Debt / PBDIT (times)	0.97	1.36	1.71

B.R. Agrotech Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
31/Dec/2011	A+**	-	A1**	Stable

*** Initial Bank loan rating assigned*

Company Background:

For arriving at the rating, CRISIL has combined the business and financial risk profiles of B.R. Agrotech Ltd (BAL), Bharat Insecticides Ltd (BIL), and, Bharat Rasayan Limited (BRL), together referred to as the Bharat group. BAL, incorporated in 2000, manufactures emulsifiable concentrate and soluble liquid, wettable powder, and pet bottles at its units in Kala Amb (Himachal Pradesh) and Kathua.

Set up in 1989, BRL manufactures technical-grade pesticides such as fenevalrate, cypermethrin etc. and also intermediates such as meta-phenoxy-benzaldehyde etc. BRL has capacity to manufacture around 3.41 million tonnes per annum.

BIL, incorporated in 1977, manufactures emulsifiable concentrate and soluble liquid and wettable powder, with installed capacities of 11.7 million litres per annum and 5.4 million tonnes per annum, respectively. The company's plants are located in Bahadurgarh (Haryana) and Kathua (Jammu & Kashmir). BIL markets its formulations in India through branch offices in 22 cities, over 3000 dealer and over 30000 distributors in India as well as Export to various countries. It sells these formulations under its brands — Bharat, Badal, and Udaan etc.

Rating Strengths

- Strong financial risk profile
- Integrated operations and diversified product profile
- Strong financial risk profile

Rating Weaknesses

- Exposure to risks inherent in the domestic agrochemicals market
- Working-capital-intensive operations

Outlook:Stable

CRISIL believes that the Bharat group will benefit over the medium term from its integrated nature of operations and diversified revenue profile. The outlook may be revised to 'Positive' if the group enhances its scale of operations and successfully manages its working capital requirements. Conversely, the outlook may be revised to 'Negative' if the Bharat group's operating margin is lower-than-expected, or if non-acceptability of its new products leads to pressure on its topline, or if any alteration in the group's financial policy leads to a higher reliance on debt.

Key Rating Sensitivity Factors

- Successful launch of new products and market acceptability
- Sustenance of growth and margins
- Capital expenditure plans and their funding mix
- Working capital management
- Dividend payout

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1,396	1,217	1,055
OPBDIT	225	257	181
PAT	231	223	161
Tangible Networth	721	490	441
Total Debt	50	30	53
OPBDIT Margins (%)	16.1	21.0	17.0
Net Profit Margins (%)	16.5	18.2	15.2
Interest cover (times)	46.52	54.73	43.53
NCA / Total Debt (times)	4.83	1.87	2.08
Gearing (times)	0.07	0.06	0.12
Total Debt / PBDIT (times)	0.19	0.11	0.27

B S B K Engineers Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
12/Aug/2010	A-	-	A2+	Stable
5/Mar/2009	BBB+**		A2**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of B S B K Engineers Pvt Ltd (BSBK) and its subsidiary, Macawber Beekay Pvt Ltd (MBPL; BSBK holds 60 per cent stake), together referred to as the Beekay group. BSBK, established in 1918, was initially engaged in the civil engineering and civil works business. In 1984, it entered into a 60:40 joint venture (JV) with Macawber Engineering Ltd (Macawber) to set up MBPL. In 2010-11, the group amalgamated BSBK with a non-operational group entity, BSBK Enviro Systems Ltd.

The JV was set up in collaboration with Clyde Bergemann Materials Handling Ltd of UK (formerly Simon-Macawber Limited), the world leaders in dense phase pneumatic transfer of bulk materials. MBPL's unique dense phase pneumatic conveying system offers bulk material handling solutions to the core sectors such as power, cement, steel, and chemicals. It also undertakes ash handling systems for various thermal power plants in the country. BSBK and MBPL offer end-to-end customised material handling (mainly ash handling) solutions which involve design, engineering, manufacture, supply, erection and commissioning of MHE. The company makes some of the components at its in-house fabrication unit. All the projects under the dense phase ash material handling technology are executed by MBPL while the projects involving wet disposal of ash are taken up by BSBK.

Rating Strengths

- Established presence in material handling equipment (MHE) industry with healthy growth prospects
- Healthy financial risk profile

Rating Weaknesses

- Working capital intensive industry
- Vulnerability of margins to fluctuations in raw material prices
- Delay in implementation of projects in hand

Outlook: Stable

CRISIL believes that the Beekay group will benefit from its established position in the ash handling systems industry, and maintain its healthy financial risk profile, despite capital expenditure (capex) plans and working capital requirements, driven by healthy cash accruals, over the medium term. The outlook may be revised to 'Positive' if the group substantially scales up its operations by way of further diversification to newer businesses such as coal handling and balance of plant, while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' in case the group faces pressures on its profitability and the increase in its scale of operations is less than expected, leading to less-than-expected cash accruals, if its working capital requirements are more than expected, or if it undertakes any larger-than-expected debt-funded capex programmes and acquisitions, resulting in significant deterioration in its liquidity and capital structure.

Key Rating Sensitivity Factors

- Working capital management
- Future capex plans and their funding pattern
- Exposure to group companies

Financial Performance (Consolidated)

Rupees Million	31-Mar-09	31-Mar-08	31-Mar-07
Net Sales	5203	3020	1850
OPBDIT	479	256	141
PAT	197	96	51
Tangible Networth	824	285	240
Total Debt	1083	736	314

OPBDIT Margins (%)	9.2	8.5	7.6
Net Profit Margins (%)	3.8	3.2	2.8
Interest cover (times)	3.08	2.86	2.67
NCA / Total Debt (times)	0.22	0.17	0.22
Gearing (times)	1.31	2.58	1.31
Total Debt / PBDIT (times)	2.08	2.60	2.02

B.E. Billimoria & Company Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Negative
Rating History				
29/Dec/2011	A+		A1	Negative
15/Sep/2010	A+		A1	Stable
28/May/2009	A		A1	Positive
30/Apr/2008	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of B.E. Billimoria & Company Limited (BE Billimoria) and Bebanco Northern Contracts Ltd (BNCL), a joint venture (JV) between BE Billimoria (74 per cent ownership) and RSB Infrastructure Ltd (RSB; 26 per cent). The entities are together referred to as the Billimoria group.

BE Billimoria was established in 1958 by Mr. Beji E Billimoria and Mr. Laxmidas K Kapadia. The company primarily provides construction services to developers in the infrastructure, industrial, commercial, and the residential real estate segments. It has clients from both the private and public sectors. Its current order book includes a large housing project for the police forces on the outskirts of Pune, which is a key project for the company, to be delivered in five years. It has another project—development of the Multi-modal International Cargo Hub and Airport, Nagpur (MIHAN SEZ)—in the pipeline.

In 2008, BE Billimoria, to establish its market position in Punjab, Uttar Pradesh, and New Delhi, formed BNCL, a JV with RSB. As on September 2011, the group had an order book of Rs.38 billion, with the residential real estate segment comprising 85 per cent of the order book.

Rating Strengths

- Healthy business risk profile backed by established track record in construction business and strong project-execution abilities
- Healthy financial risk profile marked by healthy net-worth, low gearing levels and robust debt protection indicators
- Strong project execution abilities

Rating Weaknesses

- Lack of insulation from risks inherent in real estate sector
- Exposure to group companies

Outlook: Negative

CRISIL believes that the Billimoria group's financial risk profile will weaken further over the medium term because of a stretched working capital cycle and debt-funded capital expenditure (capex). The ratings may be downgraded if there is higher-than-expected deterioration in the group's capital structure because of a further stretch in working capital cycle from the current levels, or if the group undertakes a larger-than-expected debt-funded capex programme. Conversely, the outlook may be revised to 'Stable' if there is improvement in the group's capital structure on the back of an improved working capital management.

Key Rating Sensitivity Factors

- Extent of exposure to real estate projects and to JVs and group companies
- Maintenance of current capital structure
- Management of growth and receivables
- Ability to sustain healthy profitability
- Impact of slowdown in real estate sector in Dubai on JV

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	4,924	6,573	5,233
OPBDIT	598	914	673
PAT	279	492	390
Tangible Networth	2,563	2,293	1,689
Total Debt	808	451	227

OPBDIT Margins (%)	12.1	13.9	12.9
Net Profit Margins (%)	5.7	7.5	7.4
Interest cover (times)	11.80	23.67	34.29
NCA / Total Debt (times)	0.54	1.45	2.24
Gearing (times)	0.32	0.20	0.13
Total Debt / PBDIT (times)	1.25	0.46	0.31

Bajaj Steel Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
19/Oct/2011	A			Stable
24/May/2010	A+**			Stable

***Initial Bank loan rating assigned*

Company Background:

Bajaj Steel Industries Ltd (BSI), incorporated in 1961, manufactures cotton ginning automation and cotton pressing machinery and spare parts and also trades in master batches. BSI is one of the few players in the cotton ginning machinery industry with operations across the entire ginning process value chain. The company is listed on the Bombay Stock Exchange. Its registered office and four manufacturing units are in Imambada, Hingna, and the MIDC area, in Nagpur, (Maharashtra), where it has installed computer numeric controlled (CNC) machines to undertake manufacturing. BSI's facilities are ISO-9000 and ISO/TS 16949-certified. The company is owned by the Nagpur-based Bajaj family, and Mr. Rohit Bajaj is its managing director.

The ginning process involves various stages, such as grading seed cotton, cleaning, ginning, lint cleaning, pre-bale press, and creating cotton bales. The machinery for the entire sequence can be divided into 10 sub-groups depending on the exact process, that is, raw cotton handling, cleaning, and feeding systems, ginning machines, seed handling machines, fibre-handling machines, conveying machines, fibre cleaning machines, fibre moisturisation machines, and fibre-baling presses. BSI manufactures all these machines. The company's range includes standard (42-inch long), extra long (47 inches), and jumbo (54 inches) machines. A typical machine weighs around 850 kilograms (kgs) and can be used up to 15 years.

Rating Strengths

- Established position in cotton ginning machinery industry
- Moderate financial risk profile
- Promoters' extensive industry experience

Rating Weakness

- Susceptibility to economic downturns and volatility in cotton production

Outlook: Stable

CRISIL believes that BSI will maintain a stable credit risk profile over the medium term, backed by its established market position in the cotton ginning industry, strong technological tie-ups with global players, and moderate financial risk profile. The outlook may be revised to 'Positive' if BSI's financial risk profile improves because of its better-than-expected operating performance, driven by increased volumes, resulting in larger-than-expected cash accruals and consequently, to improvement in its capital structure. Conversely, deterioration in financial risk profile because of reduced margins, decline in realisations, or a large, debt-funded capital expenditure (capex) programme, leading to weakening of debt protection indicators, may lead to a revision in the outlook to 'Negative'.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Decline in realisations
- Introduction of new technologies
- Volatility in world cotton production

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2032	2250	2,289
OPBDIT	129	250	287
PAT	5	107	151
Tangible Networth	462	465	363
Total Debt	530	215	307

OPBDIT Margins (%)	6.3	11.1	12.4
Net Profit Margins (%)	0.2	4.8	6.5
Interest cover (times)	2.23	7.30	7.18
NCA / Total Debt (times)	0.11	0.76	0.62
Gearing (times)	1.15	0.46	0.85
Total Debt / PBDIT (times)	4.03	0.83	0.96

Bapuji Educational Association

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
24/Jun/2008	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Established in 1958 for setting up a first grade college in Davangere, Bapuji Educational Association (BEA) has grown considerably in the last five decades to become one of the most respected educational societies in central Karnataka. The society has more than 53 educational institutions, ranging from kindergarten to post graduate courses, with total student strength of more than 10,000. The society has also recently set up the S.S Institute of Medical Sciences and Research Centre (SSIMS&RC) at Davangere.

Rating Strengths

- Strong financial risk profile
- Established society of good repute, offering diverse educational courses

Rating Weaknesses

- High degree of regulation
- Limited brand image constraining the society's ability to attract students and faculty

Outlook:Stable

CRISIL believes that BEA will maintain a healthy credit risk profile over the medium term, backed by its diverse presence across the education spectrum and strong financial risk profile. The outlook may be revised to 'Positive' if BEA enhances its brand image considerably from current levels. Conversely, the outlook may be revised to 'Negative' in the event of debt-funded capital expenditure (capex) constraining its cash flows.

Key Rating Sensitivity Factors

- Accreditation to the All India Council for Technical Education (AICTE)/Medical Council of India (MCI)/affiliated universities
- Non-compliance with regulations, impacting running of educational institutions under the society
- Higher-than-expected debt-funded capex

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1417	1230	1010
OPBDIT	478	412	349
PAT	249	237	182
Tangible Networth	3020	2777	2537
Total Debt	538	586	593

OPBDIT Margins (%)	30.5	31.5	32.2
Net Profit Margins (%)	15.9	18.1	16.8
Interest cover (times)	8.91	7.69	5.87
NCA / Total Debt (times)	0.84	0.65	0.54
Gearing (times)	0.18	0.21	0.23
Total Debt / PBDIT (times)	1.05	1.33	1.54

Bayer Pharmaceuticals Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
29/May/2009	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Bayer Pharmaceuticals Private Limited (BPPL) is a wholly owned subsidiary of Bayer (South East Asia) Pte Ltd, which is a subsidiary of Bayer AG (Bayer; rated 'A-/Negative/A-2' by Standard & Poor's [S&P]). Bayer, based in Germany, is a pharmaceuticals, polymers, and agrochemicals conglomerate.

In 2009-10, group company Bayer Polychem (India) Ltd (Bayer Polychem), into marketing Bayer's diabetes diagnostics and animal healthcare products, was amalgamated into BPPL. Thus, BPPL's business currently has three strategic business units: pharmaceutical healthcare, diabetes diagnostics, and animal healthcare. The company's pharmaceuticals portfolio includes formulations, catering largely to the diabetics market, along with products in the antibiotics, anti-infective, anti-hypertensive, female contraceptive, and appetite-stimulant categories. The diabetes diagnostic division markets devices and test-strips that enable monitoring blood-glucose levels. The animal healthcare division has a wide range of products for companion animals, poultry animals and cattle, such as anti-flea, anti-infective, soaps, and de-worming products.

Rating Strengths

- Parent - Bayer's strong product line
- Strong operational and financial support from Bayer group companies

Rating Weakness

- Small scale of operations

Outlook: Stable

CRISIL believes that BPPL will continue to strengthen its position in the formulation market in India, supported by the strong product portfolio of Bayer. The outlook may be revised to 'Positive' if BPPL achieves significant growth in revenue and improve its profitability. Conversely, a delay in improving profitability or diminution in support from the parent may result in the outlook being revised to 'Negative'.

Key Rating Sensitivity Factors

- Significant change in profitability
- Diminution in support from Bayer
- Change in credit rating of Bayer by S&P
- Significant debt funded capital expenditure

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1260	599	522
OPBDIT	57	15	-73
PAT	-54	11	-47
Tangible Networth	106	155	144
Total Debt	297	54	82
OPBDIT Margins (%)	4.0	2.4	-13.6
Net Profit Margins (%)	-3.8	1.7	-8.7
Interest cover (times)	1.65	17.81	-36.10
NCA / Total Debt (times)	0.00	0.25	-0.55
Gearing (times)	2.80	0.35	0.57
Total Debt / PBDIT (times)	4.68	2.15	-1.26

Beam Global Spirits & Wine (India) Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
8/Dec/2009	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Beam Global Spirits & Wine (India) Private Limited (Beam India) is a wholly owned subsidiary of Beam Global Spirits & Wine Inc (Beam Global), which, in turn, is a wholly owned subsidiary of Fortune Brands Inc (Fortune, rated 'BBB-/Watch Negative/A-3' by Standard & Poor's [S&P]). The company bottles liquor and is present in India mainly through its Teacher's bottled-in-India (BII) brand of Scotch whisky (93 per cent of sales in 2010) and DYC whisky (premium segment, 5 per cent of sales).

The company has a bottling plant in Rajasthan, which has a capacity of 675,000 cases per annum. The company also has a limited presence in the bourbon and tequila segments through its global brands Jim Beam and Sauza respectively. Until 2001, the company was owned equally by Allied Domecq Spirits & Wine (Europe) BV (Allied Domecq) and Indian Partners (Mr. Vipin K Khanna, Mr. Naginder Khanna, and Mr. Aditya Khanna). The Indian partners transferred their 24 per cent holding to Allied Domecq in July 2001 and further 26 per cent in November 2004, making it a wholly owned subsidiary of Allied Domecq. Pernod Ricard SA (Pernod Ricard), a leading global wines and spirits company, acquired Allied Domecq in partnership with Fortune in July 2005. Subsequently, when the business was split up between Pernod Ricard and Fortune, the ownership of Beam India was transferred to Beam Global on June 12, 2007.

Rating Strengths

- Market leader in BII scotch whisky segment
- Good and improving operating efficiencies
- Healthy financial risk profile, supported by debt free balance sheet and comfortable liquidity
- Support from parent, Fortune

Rating Weaknesses

- Presence restricted to BII scotch segment of Indian-made foreign liquor (IMFL) market with revenue concentration in Teacher's brand
- Susceptibility to adverse changes in regulations

Outlook: Stable

CRISIL expects Beam India's business risk profile to remain healthy over the medium term, supported by the strong brand equity enjoyed by its 'Teacher's' brand and improving operating efficiencies. The company's financial risk profile is expected to remain strong, supported by its debt free balance sheet, steady cash generation and limited capex. The outlook may be revised to 'Positive' if Beam India improves its business risk profile by expanding its product portfolio including through introduction of new premium brands in the near term. Conversely, the outlook may be revised to 'Negative' if Beam India's financial risk profile deteriorates, most likely because of a significant decline in sales volumes also impacting profitability, larger-than-expected debt-funded capital expenditure (capex) or acquisitions, or sizeable dividend payments made to the parent.

Key Rating Sensitivity Factors

- Dividend flows to parent
- Advertisement and promotion spending trends
- Fresh capex and funding thereof

Financial Performance

Rupees Million	31-Dec-10	31-Dec-09	31-Dec-08
Net Sales	2280	1737	1371
OPBDIT	475	319	244
PAT	323	216	159
Tangible Networth	1291	968	752
Total Debt	-	-	-
OPBDIT Margins (%)	20.7	18.2	17.6
Net Profit Margins (%)	14.1	12.3	11.5
Interest cover (times)	123.28	73.86	71.71
NCA / Total Debt (times)	NM	NM	NM
Gearing (times)	-	-	-
Total Debt / PBDIT (times)	-	-	-

Benetton India Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
30/Apr/2009	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Benetton India Pvt Ltd (Benetton India) is a subsidiary of Italy based Benetton Group SpA (Benetton group). The Benetton group is a global player in apparel and accessories, with a presence in more than 120 countries. The group reported a profit after tax of €102 million on revenues of €2.05 billion for 2010. The group entered the Indian market in 1991-92 through a joint venture (JV) with the Delhi-based DCM group.

In December 2004, the Italian company acquired the Indian entity. Benetton India operates more than 200 stores across 45 cities in India and around 15 stores in Singapore and Malaysia under its brands United Colors of Benetton, Sisley, and Undercolors. Until recently, the company's strategy was to open fewer franchises than owned stores; however, Benetton India intends to shift its focus towards franchises. Over the next two years, the company plans to add around 70-80 stores to its sales network, the majority of which will be franchised. Moreover, it is also changing its strategy of operating at a wholesale level, while transferring its self-operated stores to franchisees. The company is planning to partner with 20 franchisees in India to operate its existing and new stores while the company will align itself with the group strategy of designing and wholesaling.

Benetton India has a manufacturing unit in Naurangpur (Gurgaon), where cutting, printing and embroidery of knitted garments is done. The facility has a manufacturing capacity of around 1.2 million pieces per annum. The sourcing for the Indian market is through local contract manufacturing and from the Benetton group.

Rating Strengths

- Established brand and strong distribution network
- Technical, managerial, and financial support of parent, Benetton Group

Rating Weakness

- Poor profitability and weak debt protection measures

Outlook: Stable

The 'Stable' outlook reflects CRISIL's expectation that Benetton India will maintain its moderate business risk profile on account of healthy growth in operating income and improvement in profitability due to a change in operating strategy. It will also maintain a comfortable financial risk profile on the back of parent support despite losses in the past. CRISIL also believes that the parent will continue to support the Indian entity through regular equity infusion. The outlook may be revised to 'Positive' in case of increase in revenue, or if the company attains break-even in operations earlier than expected. Conversely, the outlook may be revised to 'Negative' if the company continues to incur losses post transfer of its self-operated stores to franchisees, or if the support from its parent reduces.

Key Rating Sensitivity Factors

- Retail expansion and its funding
- Changes in capital structure
- Change in parent support
- Benefits arising out of strategic shift

Financial Performance (Not Published)

Bengal Beverages Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
10/Feb/2010	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Bengal Beverages Pvt Ltd (BBPL), one of the franchisee bottlers of Coca-Cola India Pvt Ltd (Coca-Cola), is engaged in manufacturing and distribution of sparkling soft drinks (SSD) also known as carbonated soft drinks (CSD). BBPL, incorporated in 1980 by the Kolkata-based Goenka family, operated as a franchisee bottler for Parle Agro Pvt Ltd till 1993, post which the company became a franchisee bottler for Coca-Cola. Currently, BBPL is the bottling and distribution franchisee of Coca-Cola for the following districts in West Bengal: Birbhum, Howrah, Hoogli, Midnapur (E), Midnapur (W), Bardhaman (up to Durgapur), Nadia, Murshidabad, and Kolkata (N). BBPL has an installed capacity to manufacture 60,400 kilolitres per annum (klpa) of beverages in both returnable glass bottles (RGBs) and polyethylene terephthalate (PET) bottles. BBPL is currently engaged in a capacity expansion project which would increase its capacity to just over 97,000 klpa by early of 2010-11.

Rating Strengths

- Exclusive franchise agreement with Coca-Cola, providing stability of revenues and profitability
- Healthy operating efficiencies due to presence in both RGBs and PET bottles in CSD segment

Rating Weaknesses

- Expected moderation in financial risk profile over short term because of large capital expenditure (capex)
- Limited avenues for revenue growth because of geographical restriction
- High vulnerability to government regulations

Outlook: Stable

CRISIL expects BBPL to continue to benefit from the exclusive franchise agreement with Coca-Cola. The outlook may be revised to 'Positive' if BBPL expands its franchisee territory, while maintaining a healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' in case of delays in completion of the company's ongoing project, or lower-than-expected off-take from new capacities, leading to pressure on the company's financial risk profile.

Key Rating Sensitivity Factors

- Timely completion of capex and successful stabilisation of new capacities
- Maintenance of operating margin

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1361	1030	761
OPBDIT	256	186	163
PAT	62	58	43
Tangible Networth	545	383	368
Total Debt	418	272	229
OPBDIT Margins (%)	16.2	17.5	20.7
Net Profit Margins (%)	3.9	5.4	5.4
Interest cover (times)	14.65	6.92	8.15
NCA / Total Debt (times)	0.49	0.51	0.60
Gearing (times)	0.77	0.71	0.62
Total Debt / PBDIT (times)	1.62	1.37	1.42

BF Infrastructure Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		**A2+**	**Stable**
Rating History				
31/Mar/2011	**A-****		**A2+****	**Stable**

***Initial Bank loan rating assigned*

Company Background

BF Infrastructure Ltd (BFIL), incorporated in July 2010, is a subsidiary of Bharat Forge Ltd (BFL), and undertakes engineering, procurement, and construction (EPC) work related to power stations, roads, bridges, and railways. The company began operations in 2010-11, and got its first EPC contract for a 450-megawatt (MW) coal-based thermal power plant for India Power Corporation Ltd (IPCL) at Haldia (West Bengal) valued at Rs.18.86 billion. The project was initially assigned to BFL, which later re-assigned it to BFIL.

Rating Strengths

- Benefits derived from financial, managerial, and technical support from parent, BFL
- Strategic importance in parent's initiative to increase share of non-automotive business in revenues

Rating Weakness

- Exposure to execution risk because of nascent stage of operations and absence of established track record

Outlook: Stable

CRISIL believes that BFIL is integral to BFL's initiative to increase the share of the non-automotive business in its revenues, as a de-risking strategy. BFL will therefore continue to provide financial, managerial, and technical support to BFIL to support its subsidiary's operations. The outlook may be revised to 'Positive' if there is more-than-expected improvement in BFIL's revenues and profitability on a sustained basis, coupled with improvement in its capital structure. Conversely, the outlook may be revised to 'Negative' if the company undertakes any debt-funded capital expenditure (capex) programme, resulting in deterioration in its financial risk profile, or if there is any decline in support from its parent, BFL.

Key Rating Sensitivity Factors

- Debt-funded capex plans or acquisitions

Financial Performance (Not Published)

BGH Exim Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
27/Jan/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

BGH Exim Ltd (BGH) is a closely held company of the Aditya Birla group. The company trades in various commodities, including petroleum products, sulphur, mill scale, coal and coke, chemicals, and tea. BGH has also made a sizeable investment of Rs.5.67 billion (as on March 31, 2011) in a closely held group company, and does not add value to any commodity, barring tea, which it blends before exporting. BGH has two main divisions at Gandhidham (Gujarat) and Kolkata, with two sub-divisions at New Delhi and Coimbatore (Tamil Nadu). About 65 per cent of the trading revenue comes from the Gandhidham division, while the balance is contributed by the Kolkata division, which mainly deals in tea.

Rating Strengths

- Established position in commodities trading business
- Strong support from Aditya Birla group

Rating Weaknesses

- Exposure to inherent risks in commodity trading business, including vulnerability to government regulations
- Significant exposure to group company

Outlook: Stable

CRISIL believes that BGH Exim's diverse product portfolio will help mitigate the impact of volatility in commodity prices on the company's profitability. BGH Exim's financial and business risk profiles will continue to benefit from the support from the Aditya Birla group. The outlook may be revised to 'Positive' if there is a significant improvement in BGH Exim's revenues and operating efficiency. Conversely, the outlook may be revised to 'Negative' if the company significantly increases its exposure to group companies or its capital structure deteriorates.

Key Rating Sensitivity Factors

- Changes in government regulations on import and export of key commodities
- Significant capital expenditure and its funding mix
- Increase in group exposure, funded by debt

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	6369	4865	5382
OPBDIT	118	174	65
PAT	73	103	17
Tangible Networth	3457	3399	3309
Total Debt	2816	2621	2680

OPBDIT Margins (%)	1.8	3.6	1.2
Net Profit Margins (%)	1.1	2.1	0.3
Interest cover (times)	5.10	6.94	1.38
NCA / Total Debt (times)	NP	NP	NP
Gearing (times)	0.81	0.77	0.81
Total Debt / PBDIT (times)	21.55	14.28	22.20

Bharat Biotech International Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
9/Jun/2010	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Bharat Biotech international Limited (BBIL) was set up in February 1996 by Dr. Krishna Ella, who owns 65.61 per cent of the company's equity. BBIL mainly manufactures viral and bacterial vaccines for human applications at its state-of-the-art facility at Genome Valley, Hyderabad. Its main products include anti-rabies vaccines, vaccines for Hepatitis-B and oral polio vaccines. About 80 per cent of BBIL's revenue comes from government agencies; the government is the largest buyer of vaccines in India.

Rating Strengths

- Steady demand prospects for vaccines in domestic and international markets
- Healthy operating efficiencies, supported by promoter's industry experience

Rating Weaknesses

- High exposure to government policies, in terms of off-take and regulations
- Moderate, though improving scale of operations

Outlook: Stable

CRISIL believes that BBIL will benefit over the medium term from its expanding product profile and increasing revenues. The outlook may be revised to 'Positive' if BBIL increases diversification of its product profile, reports more-than-expected revenue growth, and maintains its healthy operating profitability. Conversely, the outlook may be revised to 'Negative' if BBIL undertakes a larger-than-expected debt-funded capital expenditure (capex) programme, or if its debt protection metrics weaken.

Key Rating Sensitivity Factors

- Ability to maintain revenue and profitability
- Any large debt-funded capex, or research and development (R&D) activity
- Entry of new players with advanced/cost effective vaccine alternatives
- Changes in customer profile
- Any new regulation impacting existing operations

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2237	1464	2411
OPBDIT	558	546	506
PAT	252	240	285
Tangible Networth	1030	932	826
Total Debt	1569	963	838

OPBDIT Margins (%)	24.8	36.7	21.0
Net Profit Margins (%)	11.2	16.2	11.8
Interest cover (times)	8.69	15.14	10.89
NCA / Total Debt (times)	0.25	0.39	0.45
Gearing (times)	1.52	1.03	1.01
Total Debt / PBDIT (times)	2.32	1.36	1.26

Bharat Insecticides Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
29/Apr/2010	A+**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

CRISIL has combined the business and financial risk profiles of Bharat Insecticides (BIL), Bharat Rasayan Ltd (BRL) and B.R. Agrotech Ltd (BRAL), together referred to as the Bharat group to arrive at the rating for BIL.

BIL, incorporated in 1977, manufactures emulsifiable concentrate and soluble liquid, and wettable powder with installed capacity of 4.8 million litres per annum (lpa) and 3770 tonnes per annum (tpa), respectively. The company's plant is located at Bahadurgarh, Haryana, and Kathua, Jammu & Kashmir (J&K). BIL markets its formulations in India through branch offices in 22 cities and over 1000 distributors. It sells these formulations under its own brands, which include Bharat, Badal, and Udaan.

BRL, incorporated in 1989, primarily manufactures intermediaries and technicals. The company's manufacturing facilities are located at Rohtak, Haryana, with an installed capacity of 2000 tonnes per annum (tpa). BRL manufactures intermediaries such as meta phenoxy benzaldehyde, and technical grade pesticides such as fenevalrate and cypermethrin, among others. The company has close to 170 registrations all across the globe.

Rating Strengths

- Strong financial risk profile
- Integrated operations and diversified product profile

Rating Weaknesses

- Large working capital requirements
- Susceptibility to inherent risks in domestic agrochemicals market

Outlook: Stable

CRISIL believes that the Bharat group will benefit over the medium term from its integrated nature of operations and diversified revenue profile. The outlook may be revised to 'Positive' if the group enhances its scale of operations and successfully manages its working capital requirements. Conversely, the outlook may be revised to 'Negative' if the Bharat group's operating margin is lower-than-expected, or if non-acceptability of its new products leads to pressure on its top line, or if any alteration in the group's financial policy leads to a higher reliance on debt.

Key Rating Sensitivity Factors

- Successful launch of new products and market acceptability
- Sustenance of growth and margins
- Capital expenditure plans and their funding mix
- Working capital management
- Dividend payout

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1,396	1,217	1,055
OPBDIT	225	257	181
PAT	231	223	161
Tangible Networth	721	490	441
Total Debt	50	30	53

OPBDIT Margins (%)	16.1	21.0	17.0
Net Profit Margins (%)	16.5	18.2	15.2
Interest cover (times)	46.52	54.73	43.53
NCA / Total Debt (times)	4.83	1.87	2.08
Gearing (times)	0.07	0.06	0.12
Total Debt / PBDIT (times)	0.19	0.11	0.27

Bharat Rasayan Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Stable
Rating History				
30/Nov/2009	A+**			Stable

***Initial Bank loan rating assigned*

Company Background:

CRISIL has combined the business and financial risk profiles of Bharat Insecticides (BIL), Bharat Rasayan Ltd (BRL) and BR Agrotech Ltd (BRAL), together referred to as the Bharat group to arrive at the rating for BRL.

Bharat Rasayan Ltd (BRL) was incorporated in 1989 primarily to manufacture intermediaries and technicals. The company's manufacturing facilities are located at Rohtak, Haryana, with an installed capacity of 2000 tonnes per annum (tpa). The company made a public issue of shares in February 1993. BRL manufactures intermediaries such as meta phenoxy benzaldehyde, and technical grade pesticides such as fenevalrate and cypermethrin, among others. BRL has close to 170 registrations all across the globe. It is an ISO 9001:2000- and ISO 14001:2000-certified company.

BIL, incorporated in 1977, manufactures emulsifiable concentrate and soluble liquid, and wettable powder with installed capacity of 4.8 million litres per annum (lpa) and 3770 tonnes per annum (tpa), respectively. The company's plant is located at Bahadurgarh, Haryana, and Kathua, Jammu & Kashmir (J&K). BIL markets its formulations in India through branch offices in 22 cities and over 1000 distributors. It sells these formulations under its own brands, which include Bharat, Badal, and Udaan.

Rating Strengths

- Strong financial risk profile
- Healthy operating efficiencies

Rating Weaknesses

- Susceptibility to fluctuations in raw material prices and to declining product demand
- Exposure to inherent risks in domestic agrochemicals market

Outlook: Stable

CRISIL believes that the Bharat group will continue to benefit from its conservative financial policy, integrated operations, and diversified revenue profile, over the medium term. The outlook may be revised to 'Positive' if the Bharat group enhances its scale of operations, and successfully manages its working capital requirements. Conversely, the outlook may be revised to 'Negative' if the Bharat group's operating margin declines sharply, if the demand for its new products reduces, leading to pressure on its topline, or if the group alters its financial policy towards a higher reliance on debt.

Key Rating Sensitivity Factors

- Successful launch of new products
- Sustenance of growth and margins
- Capital expenditure (capex) plans and their funding mix
- Working capital management
- Extent of dividend payout

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	992	1029	671
OPBDIT	86	96	60
PAT	58	51	44
Tangible Networth	490	441	335
Total Debt	30	53	78

OPBDIT Margins (%)	8.5	9.1	8.6
Net Profit Margins (%)	5.7	4.9	6.4
Interest cover (times)	23.0	10.9	8.82
NCA / Total Debt (times)	1.53	0.43	0.62
Gearing (times)	0.09	0.33	0.23
Total Debt / PBDIT (times)	0.38	1.26	1.04

Bhavani Industries

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A1	Stable
Rating History				
1/Apr/2011	A-		A1	Stable
9/Feb/2010	BBB+		A2+	Stable
24/Mar/2009	BBB**		A2**	Stable

***Initial Bank loan rating assigned*

Company Background:

Set up in 1975, Bhavani Industries (Bhavani) is a partnership firm that manufactures automotive components. Bhavani supplies to both original equipment manufacturers (OEMs) and Tier 1 component suppliers, and does not have any presence in the aftermarket. Tata Motors Ltd (TML; rated 'CRISIL AA-/Stable/CRISIL A1+') and ArvinMeritor Inc (ArvinMeritor; rated 'B/Stable' by Standard & Poor's) together accounted for around 54 per cent of Bhavani's revenues for 2009-10. Bhavani has its principal facility in Rajkot (Gujarat), a recently established fully integrated unit in Rudrapur (Uttarakhand), and an assembly facility in Gurgaon (Haryana). The firm is also in the midst of setting up a manufacturing unit in Sanand (Gujarat) to exclusively cater to TML's Nano cars.

Rating Strengths

- Extensive product portfolio, and stable relationships with customers
- Above-average operating capabilities, marked by healthy operating profitability
- Healthy financial risk profile

Rating Weakness

- Limited customer diversity, and high exposure to commercial vehicle (CV) segment

Outlook: Stable

CRISIL believes that Bhavani will maintain its credit risk profile over the medium term, supported by the healthy demand outlook for the automobile industry, and the firm's steady cash accruals. The outlook may be revised to 'Positive' in case of significant improvement in Bhavani's business risk profile, most likely driven by greater diversity in its customer/product profile, or in case of better-than-expected operating performance. Conversely, the outlook may be revised to 'Negative' in case of a sharp decline in Bhavani's profitability, any significant debt-funded capital expenditure (capex), or larger-than-expected withdrawals from the firm by the partners.

Key Rating Sensitivity Factors

- Ability to sustain operating margin
- Maintenance of transactions with group companies on arm's length basis
- Capex plans and their funding mix
- Extent of withdrawals by partners

Financial Performance

Rupees in Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1,297	1,112	1,230
OPBDIT	375	376	394
PAT	140	105	121
Tangible Networth	682	548	344
Total Debt	575	515	657
OPBDIT Margins (%)	27.6	31.4	30.8
Net Profit Margins (%)	10.3	8.8	9.4
Interest cover (times)	5.07	4.56	5.18
NCA / Total Debt times)	0.46	0.49	0.27
Gearing (times)	0.84	0.94	1.91
Total Debt / PBDIT (times)	1.45	1.32	1.61

Bhojeshwar Realtors Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
4/May/2011	A		A1	Stable
1/Dec/2009	BBB+		A2	Positive

Company Background:

For arriving at its ratings, CRISIL has combined the financial and business risk profiles of 35 entities, including Bhojeshwar Realtors Pvt Ltd, together referred to as the Salarpuria-Sattva group. The Salarpuria Sattva Group was founded by the late Mr. G. D. Salarpuria in 1986 in Kolkata. Currently, the group is being managed by Mr. Bijay Agarwal, who is the managing director. The group has been involved in construction and development of real estate for the past 25 years. Salarpuria Properties Pvt Ltd and Sattva Developers Pvt Ltd are the two flagship companies of the group, with 33 other group entities actively engaged in the real estate business. The group has an ISO 9001:2000 certification. Till date, the group has completed 71 real estate projects (mainly commercial) in Bengaluru. The group is shifting its focus to residential real estate sector from being a predominantly commercial real estate player. It has also entered in Kolkatta, Hyderabad, Mysore, Pune, and Visakhapatnam markets, by acquiring some parcel of land which it plans to develop over medium term.

Rating Strengths

- Healthy financial risk profile marked by comfortable capital structure and high financial flexibility because of large portfolio of leased assets
- Strong brand name, and good track record, in Bengaluru real estate market

Rating Weakness

- Revenue concentration in information technology (IT) and IT-enabled services (ITeS) sectors
- Risks and cyclicality inherent in real estate sector

Outlook: Stable

CRISIL believes that the Salarpuria-Sattva group will maintain its strong market position in the Bengaluru real estate market, given its established track record. The outlook may be revised to 'Positive' in case of a significant increase in the group's revenues and geographic diversification, leading to improvement in its business risk profile. Conversely, the outlook may be revised to 'Negative' if the saleability of the group's projects is below expectation, resulting in weakening in its financial risk profile, or if the group makes sizeable investments in unrelated businesses.

Key Rating Sensitivity Factors

- Significant increase in debt funding of projects
- Investments in unrelated businesses
- Successful completion of projects

Financial Performance

Rupees Billion	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1.04	3.27	0.57
OPBDIT	2.12	2.93	1.62
PAT	1.03	1.57	0.67
Tangible Networth	13.17	12.14	10.33
Total Debt	4.47	4.89	7.14

OPBDIT Margins (%)	70.0	56.9	70.0
Net Profit Margins (%)	34.1	30.5	28.8
Interest cover (times)	4.3	4.9	2.4
NCA / Total Debt times)	0.32	0.43	0.12
Gearing (times)	0.34	0.4	0.69
Total Debt / PBDIT (times)	3.0	4.3	3.5

Birla Academy of Art & Culture

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
31/Dec/2011	A-**	-	-	Stable

*** Initial Bank loan rating assigned*

Company Background:

Birla Academy of Art & Culture (BAAC) is a public charitable trust, set up in 1962 by Dr. Sarala Birla and Mr. B K Birla (chairperson of the B K Birla group of companies). Apart from promoting art and culture, BAAC operates two educational institutes, Birla Institute of Management Technology (BIMTECH) and Birla Vidya Niketan (BVN).

BAAC set up BIMTECH in 1988. Initially, the campus was at BVN campus in New Delhi; in 2004, it was shifted to Greater Noida (Uttar Pradesh). The institute provides postgraduate courses and doctoral courses. It has a batch of 390 students. The new campus, which is being set up in Bhubaneswar (Orissa), is scheduled to be completed by June 2012.

BVN is a co-educational English-medium senior secondary school in Delhi, recognized by the Directorate of Education, Government of the National Capital Territory of Delhi, and is affiliated to the Central Board of Secondary Education. It has around 3800 students and a faculty base of 165.

Rating Strengths

- Established brand, wide profile of courses offered and steady growth in revenues
- Healthy financial risk profile

Rating Weakness

- Susceptibility to intense competition, ongoing project risk, and any adverse regulatory changes in education sector

Outlook:Stable

CRISIL believes that the BAAC will maintain its relatively stable market position in the management education segment and benefit from its promoters' extensive experience in the education industry, over the medium term. The outlook may be revised to 'Positive' in case of a significant improvement in the trust's operating revenues and profitability, most likely driven by continued healthy occupancy in existing and new courses, resulting in improvement in its financial risk profile and timely completion of its ongoing project. Conversely, the outlook may be revised to 'Negative' if BAAC undertakes a larger-than-expected debt-funded capital expenditure (capex) programme, leading to deterioration in its capital structure, significant time or cost overrun in its existing project, or if there is a drop in occupancy for its courses.

Key Rating Sensitivity Factors

- Time and cost overruns
- Student occupancy level for fresh batches and new courses
- Compliance with regulatory norms
- Debt-funded capex
- Charities and donations

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	478	417	327
OPBDIT	93	103	72
PAT	84	63	29
Tangible Networth	706	617	541
Total Debt	NP	NP	NP

OPBDIT Margins (%)	18.4	22.9	20.0
Net Profit Margins (%)	16.6	14.0	8.2
Interest cover (times)	176.99	133.78	37.36
NCA / Total Debt (times)	NP	NP	NP
Gearing (times)	NP	NP	NP
Total Debt / PBDIT (times)	NP	NP	NP

NP: Not Published

Bosch Electrical Drives India Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
3/Jun/2011	A+		A1	Stable
8/Apr/2009	A+**			Stable

***Initial Bank loan rating assigned*

Company Background:

Bosch Electrical Drives India Pvt. Ltd (BEDIPL) was started in April 2008 as a 51:49 joint venture (JV) between Robert Bosch GmbH (Robert Bosch; rated 'AA-/Stable/A-1+' by Standard & Poor's [S&P]) and Igarashi Motors India Ltd (Igarashi); this was subsequently changed to nearly 90:10. In 2010, Igarashi infused equity of Rs.142 million in 2010 thereby increasing its stake in BEDIPL to 26 per cent. BEDIPL manufactures direct current (DC) motors for car wipers and power windows and has added DC motors for car thermal systems (engine cooling, and heating, ventilating and air-conditioning (HVAC) systems) to its product portfolio recently. Over 93 per cent of the input materials in 2010 were imported. The company supplies mainly to Hyundai Motor India Ltd (rated 'CRISIL A1+') and its Tier 1 suppliers which together accounted for about 86 per cent of revenues.

Rating Strengths

- Strong support from parent, Robert Bosch
- Improving scale of operations reinforced by expanding customer base

Rating Weaknesses

- Impact of debt-funded capital expenditure (capex) on financial risk profile
- High customer and segmental concentration in revenues

Outlook: Stable

CRISIL believes that BEDIPL will continue to benefit from the strong support from its parent, Robert Bosch, over the medium term. However, despite BEDIPL's expected healthy revenue growth, its proposed debt-funded capital expenditure (capex) is expected to weaken its gearing and debt protection metrics. The outlook may be revised to 'Positive' if BEDIPL generates more-than-expected cash accruals, driven by increased diversification of clientele and meeting its localisation targets; or if it witnesses equity capital infusions from its promoters to part-fund its proposed capex. Conversely, the outlook may be revised to 'Negative' if the company undertakes larger-than-expected debt-funded capex, or faces further delays in localisation, adversely affecting profitability and cash generation. The ratings may be downgraded if S&P downgrades its ratings on Robert Bosch.

Key Rating Sensitivity Factors

- Extent of localisation impacting operating profitability
- Diversification in customer profile
- Additional debt-funded capex
- Continued support by parent, and change in S&P's rating on Robert Bosch

Financial Performance

Rupees Million	31-Dec-10	31-Dec-09	31-Dec-08
Net Sales	1547	1077	264
OPBDIT	(15)	(53)	(128)
PAT	(97)	(175)	(170)
Tangible Networth	370	323	2
Total Debt	120	15	-
OPBDIT Margins (%)	(1.0)	(4.9)	(48.3)
Net Profit Margins (%)	(6.2)	(16.2)	(64.5)
Interest cover (times)	NM	NM	NM
NCA / Total Debt (times)	(0.07)	(2.68)	NM
Gearing (times)	0.32	0.05	NM
Total Debt / PBDIT (times)	(7.71)	(0.28)	NM

Bothra Shipping Services

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
30/Jul/2009	A+**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Bothra Shipping Services (BSS), Sarat Chatterjee & Co Pvt Ltd (SCCPL), NC Enterprises (NCE), and Jaldhi Overseas Pvt Ltd (JOPL), together referred to as the Bothra group.

BSS is part of the Bothra group, which was established in 1976 by Mr. R C Bothra. BSS manages port operations such as stevedoring, cargo handling, and other allied services in several ports in India, including Visakhapatnam, Mangalore, and Kakinada.

The group acquired SCCPL in 1978. SCCPL offers similar services as BSS, while JOPL undertakes chartering operations and NCE is into leasing of various port handling equipment. Presently, the Bothra group is led by Mr. R C Bothra's sons, Mr. V C Bothra and Mr. A C Bothra.

Rating Strengths

- Healthy financial risk profile
- Comfortable market position backed by experience of promoters in shipping industry
- Strong and diversified customer base

Rating Weaknesses

- Vulnerability to economic downturns
- Vulnerability of margins to competitive pressures

Outlook: Stable

CRISIL believes that the Bothra group's financial risk profile will remain strong over the medium term, supported by its healthy cash accruals and conservative capital structure. The outlook may be revised to 'Positive' if the group is able to increase the proportion of its port operations in its revenue profile, resulting in an improvement in its operating profitability, while maintaining its current financial risk profile. Conversely, the outlook may be revised to 'Negative' in case the Bothra group's debt protection metrics deteriorate, either because of a decline in its operating margin, or if it undertakes a large, debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Improvement in operating margins
- Size and funding mix of capex

Financial Performance (Standalone)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2753	2573	2605
OPBDIT	287	290	168
PAT	112	105	116
Tangible Networth	463	350	255
Total Debt	253	235	286

OPBDIT Margins (%)	9.7	10.5	6.2
Net Profit Margins (%)	3.8	3.8	4.3
Interest cover (times)	10.98	8.97	13.11
NCA / Total Debt (times)	0.84	0.86	0.7
Gearing (times)	0.55	0.67	1.12
Total Debt / PBDIT (times)	0.87	0.81	1.09

Brindavan Agro Industries Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-			**Stable**
Rating History				
3/Feb/2009	**A-****			**Stable**

***Initial Bank loan rating assigned*

Company Background:

Brindavan Agro Industries Ltd (BAIL), established by Mr. Gulab Chand Ladhani, is a franchisee bottler of Coca-Cola India Pvt. Ltd (Coca-Cola India), that manufactures and distributes sweetened aerated water (soft drinks), and non-sweetened aerated water (soda). The company is the distribution franchisee of Coca-Cola India for 10 districts in Uttar Pradesh and 4 districts in Madhya Pradesh. The company has two facilities for filling and manufacturing returned glass bottles (RGB) with a combined capacity of 900 bottles per minute (BPM), and a polyethylene terephthalate (PET) filling capacity of 110 BPM, at Hathras, near Agra. It also has eight wind mills in Karnataka and Rajasthan, with an aggregate capacity of 6 mega watts (MW).

Rating Strengths

- Healthy financial risk profile, marked by low gearing and strong debt protection measures
- Exclusive franchisee agreement for defined territory with Coca-Cola India providing stability to revenues and profitability.

Rating Weaknesses

- Vulnerability to government regulations
- Small size of operations due to low per capita consumption
- Geographical restrictions, and high competition

Outlook: Stable

CRISIL believes that BAIL will maintain its healthy financial risk profile and its stable business position over the medium term, supported by its exclusive franchisee agreement with Coca-Cola India. The outlook may be revised to 'Positive' if BAIL enhances its product diversity or expand its franchisee territory, while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' if any adverse regulatory issue disrupts the sales of the company, if the company undertakes larger-than-expected, debt-funded capital expenditure (capex) programme, or increases its exposure to group hotel project.

Key Rating Sensitivity Factors

- Any regulatory issue
- Exposure to group's hotel project
- Future capex and its funding mix

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1081	669	389
OPBDIT	132	119	123
PAT	36	39	20
Tangible Networth	339	260	238
Total Debt	232	163	186
OPBDIT Margins (%)	11.67	17.8	24.0
Net Profit Margins (%)	3.2	5.8	4.0
Interest cover (times)	11.76	9.90	7.85
NCA / Total Debt (times)	0.49	0.69	0.52
Gearing (times)	0.68	0.63	0.78
Total Debt / PBDIT (times)	1.66	1.28	1.41

Bunge India Private Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A			Stable
Rating History				
12/May/2011	A			Stable
2/Jul/2010	A			Negative; removed from Rating Watch with Negative Implications
5/Nov/2009	A			Placed on Rating watch with Negative Implications
1/Apr/2008	A**			Stable

***Initial Bank loan rating assigned*

Company Background:

Bunge India Private Ltd (Bunge India) is a wholly owned indirect subsidiary of Bermuda based Bunge Ltd (Bunge, rated 'BBB-/Stable' by Standard & Poor's), the world's leading oilseeds processing company. Until 2003, Bunge ran its India operations through two entities, Bunge Agribusiness Pvt Ltd (Bunge Agri) and Geepee Ceval Proteins and Investment Ltd (Geepee Ceval). As part of its India strategy to expand its presence in the retail side of business, Bunge India acquired the edible oils/vanaspati business and bakery fats business of Hindustan Unilever Ltd (HUL, rated 'CRISIL AAA/Stable/CRISIL A1+') on a slump-sale basis for Rs.930 million in August 2003. Bunge India acquired the brands, Dalda and Masterline, as part of the deal. The company also consolidated its India operations and Bunge Agri was amalgamated with Geepee Ceval. In October 2004, Geepee Ceval was renamed as Bunge India Pvt Ltd.

Bunge India's operations consist of agribusiness trading, and edible oils/vanaspati and bakery fats manufacturing. The company owns two manufacturing facilities – at Bundi in Rajasthan, for manufacturing edible oils marketed under the brand Chambal; and at Tiruchirappalli (Tamil Nadu) for manufacturing edible oils/vanaspati and bakery fats marketed under the brands, Dalda and Masterline, respectively.

Rating Strengths

- Continued business, management, and financial support from parent, Bunge
- Strong brand presence in edible oils/vanaspati and bakery fats segment

Rating Weakness

- Low operating profitability and losses in Dalda business

Outlook: Stable

CRISIL believes that Bunge India's operating profitability will remain weak over the medium term, as the company is still consolidating its edible oil business. The rating, though, will continue to be driven by the support the company derives from Bunge. The outlook may be revised to 'Positive' in case of a similar revision in the S&P outlook on Bunge. Conversely, any downward revision in the rating on Bunge, or a decline or withdrawal of support from the parent, or a material decline in the company's profitability may result in a revision in the outlook to 'Negative'.

Key Rating Sensitivity Factors

- Changes in Bunge's credit risk profile
- Extent of support from Bunge
- Size, structuring, and funding-mix of future capital investments
- Operating profitability

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	75666	78128	82939
OPBDIT	(15)	(330)	(154)
PAT	471	1230	336
Tangible Networth	2466	1953	897
Total Debt	561	2138	2529
OPBDIT Margins (%)	(0.02)	(0.4)	0.2
Net Profit Margins (%)	0.6	1.6	0.4
Interest cover (times)	2.42	5.29	11.34
NCA / Total Debt (times)	1.04	0.64	0.19
Gearing (times)	0.23	1.09	2.82
Total Debt / PBDIT (times)	NP	NP	NP

CR Retail Malls (India) Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
19/Jan/2012	A-**			Stable

***Initial Bank loan rating assigned*

Company Background:

CR Retail Malls (India) Ltd (CRRMIL) is engaged in leasing commercial real estate property. CRRMIL has a single property of 65,125 square feet (sq ft), which is a seven-screen multiplex theatre with a seating capacity of 2000 (multiplex built-up area of 64,345 sq ft, and DG set area of 780 sq ft) at Phoenix Mills compound, Lower Parel, Mumbai (Maharashtra). In May 2011, JM Financial Products Ltd and JM Financial Investment Managers Ltd together acquired 100 per cent stake in CRRMIL from PVR Ltd (PVR, rated 'CRISIL A+/Stable') and the property has been leased back to PVR for a monthly rental of Rs.9 million. The lease agreement is for 18 years, with a lock-in period of 10 years.

Rating Strengths

- Benefits accruing from prime location of property, revenue visibility from long-term lease contracts and strategic importance to tenant
- Healthy financial risk profile

Rating Weakness

- Small-scale operations and single-site concentration

Outlook: Stable

CRISIL believes that CRRMIL will maintain its strong business risk profile and healthy financial risk profile over the medium term, supported by its strategic importance to its tenant and steady cash flows from lease rentals and healthy cash accruals. The outlook may be revised to 'Positive' if CRRMIL receives more-than-expected funding support from its shareholder, leading to improvement in its capital structure. Conversely, the outlook may be revised to 'Negative' if CRRMIL contracts more-than-expected debt, if there is unexpected termination of lease contracts, adversely affecting the company's cash flows, or if CRRMIL extends financial support to its group entities.

Key Rating Sensitivity Factors

- Increase in debt levels
- Cancellation of lease contract
- Cash outflow to group companies
- Exposure to unforeseen natural calamities

Financial Performance (Not Published)

C.R.I. Pumps Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
10/Nov/2011	A		A1	Stable
25/Jan/2011	A		A1	Positive
30/Jun/2008	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

C.R.I. Pumps Private Ltd (CRI Pumps), part of the CRI group, set up by the late Mr. K Gopal in 1961 in Coimbatore (Tamil Nadu), commenced operations as a small production unit manufacturing irrigation equipment. Over the years, the CRI group has expanded its operations and has established a position in the pumps industry by manufacturing pumps for the household and agricultural segments. The group's main products are submersible and surface pumps, which contribute about 90 per cent to its turnover. The CRI group has 7 manufacturing units in Coimbatore, 32 sales outlets, and a network of about 3000 dealers across India. CRI Pumps has manufacturing capacity of 102,000 pumps per month.

CRI Pumps has been operating in the agriculture and domestic pumps industry for the past 45 years. The company is one of the leading players in the submersible and surface pumps segment, with more than 1000 varieties of pumps in its product portfolio, and has successfully established its brand, CRI Pumps; more than 400 varieties of pumps have been rated by Bureau of Energy Efficiency.

Rating Strengths

- Established market position in organised pumps segment with recognised brand
- Healthy operating efficiency, diversified product portfolio, and strong distribution network
- Healthy financial risk profile

Rating Weaknesses

- Susceptibility to volatility in raw material prices and working-capital-intensive operations of pump industry
- Susceptibility to intense competition in pumps industry

Outlook: Stable

CRISIL believes that CRI Pumps will continue to benefit over the medium term from its established market position and the stable demand from its end-user segments. The outlook may be revised to 'Positive' if the company reports a significant and sustained increase in its revenues and margins, while it maintains its capital structure. Conversely, the outlook may be revised to 'Negative' if CRI Pumps' cash accruals decline sharply, or if the company undertakes a larger-than-expected, debt-funded capital expenditure (capex) programme or its financial risk profile is adversely impacted because of proposed demerger plans.

Key Rating Sensitivity Factors

- Extent and funding of capex
- Demand-supply dynamics in pump industry
- Proposed demerger plans

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	7243	6376	4,452
OPBDIT	1047	1140	704
PAT	347	500	146
Tangible Networth	1840	1566	1,190
Total Debt	2288	1811	1,605
OPBDIT Margins (%)	14.4	17.4	15.7
Net Profit Margins (%)	4.8	7.8	3.3
Interest cover (times)	7.06	10.82	4.21
NCA / Total Debt (times)	0.28	0.35	0.23
Gearing (times)	1.24	1.16	1.35
Total Debt / PBDIT (times)	2.16	1.57	2.24

Calibre Chemicals Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		**A2+**	**Stable**
Rating History				
22/Sep/2011	**A-**		**A2+**	**Stable**
27/Apr/2009	**BBB+****			**Stable**

***Initial Bank loan rating assigned*

Company Background

In 1984, Calibre Chemicals Private Limited's (Calibre's) promoter, Mr. Ranjit H Bhavnani, started HT Bhavnani Chemicals Pvt Ltd (Bhavani Chemicals) to manufacture fine chemicals. Subsequently, he promoted two other chemical companies, Calibre and LB Fine Chemicals Pvt Ltd (LB Fine Chemicals). In 1997, Bhavnani Chemicals and LB Fine Chemicals were amalgamated with Calibre.

Calibre specialises in manufacturing fine inorganic chemicals using the electrolysis process. It is India's leading producer of potassium persulphate and potassium iodide. Calibre's facilities are located at Sarigam (Gujarat).

Rating Strengths

- Sound operating efficiency
- Established market position
- Healthy financial risk profile

Rating Weaknesses

- Limited pricing flexibility, and vulnerability to fluctuations in iodine prices
- Working-capital-intensive operations

Outlook: Stable

CRISIL believes that Calibre will maintain its financial risk profile, supported by a strong capital structure and steady cash accruals, over the medium term. The outlook may be revised to 'Positive' in case of increase in Calibre's revenue diversity leading to substantial improvement in its profitability, cash accruals, and capital structure. Conversely, the outlook may be revised to 'Negative' if there is significant deterioration in the company's financial risk profile, most likely caused by lower-than-expected margins or larger-than-expected debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Significant increase in iodine prices
- Extent of debt-funded capex
- Adverse foreign exchange rate movement

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	**1,801**	**921**	**853**
OPBDIT	**402**	**174**	**110**
PAT	**241**	**86**	**45**
Tangible Networth	**414**	**195**	**158**
Total Debt	**45**	**187**	**197**
OPBDIT Margins (%)	**21.8**	**18.6**	**12.7**
Net Profit Margins (%)	**13.1**	**9.2**	**5.2**
Interest cover (times)	**15.05**	**5.7**	**5.4**
NCA / Total Debt times)	**5.24**	**0.5**	**0.32**
Gearing (times)	**0.11**	**0.96**	**1.25**
Total Debt / PBDIT (times)	**0.11**	**1.07**	**1.76**

Camlin Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A+		A1	Stable
Rating History				
8/Sep/2011	A+		A1	Stable; removed from Rating watch with developing implications
1/Jun/2011	A		A1	Placed on Rating watch with developing implications
10/Mar/2009	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the financial and business risk profiles of Camlin Ltd (Camlin) and Camlin group entities, Triveni Pencils Ltd (Triveni), Excella Pencils Ltd (Excella) and Mayur Colours Ltd (Mayur) collectively referred to as the Camlin group.

Set up as Dandekar & Co in 1931 by Mr. Digambar Dandekar and converted to a private limited company in 1946 and listed with the present name in 1988, Camlin manufactures stationery products. The company has more than 500 stationery and colour products under the Camel, Camlin, and Exam brands. Triveni, Excella, and Mayur manufacture pencils, wax crayons, and chemicals for colours, and perform job-work exclusively for Camlin. Camlin accounts for about 99 per cent of the Camlin group's revenues and for 95 per cent of the group's operating profit.

In May 2011, Kokuyo S&T Co (Kokuyo), a subsidiary of Kokuyo & Co, Japan announced acquisition of majority stake in Camlin. The acquisition was completed in stages. Kokuyo is a wholly owned subsidiary of Kokuyo & Co Ltd, a Japanese company with more than 100 years' experience in stationery and furniture products, design and construction of office and store interiors, among other businesses. Kokuyo has a leading presence in Japan, Thailand, Taiwan, Malaysia, China, and Vietnam.

Rating Strengths

- Strong brand image and wide distribution network
- Strong financial risk profile

Rating Weaknesses

- Low operating margin, partially susceptible to volatility in input prices
- Exposure to risks related to presence in fragmented industry with small market, especially for stationery products

Outlook: Stable

CRISIL believes that the Camlin group will maintain its stable business risk profile over the medium term, supported by moderate revenue growth, maintenance of cash accruals, and expected synergies from its association with Kokuyo. The outlook may be revised to 'Positive' if the group's market position improves because of healthy demand for Kokuyo's products and if the ongoing marketing initiatives lead to maintenance of growth in its revenues. Conversely, the outlook may be revised to 'Negative' if the Camlin group is unable to arrest the decline in its revenues and margins, brought about by increasing competition, or undertakes any large, debt-funded capital expenditure (capex) programme, leading to deterioration in its financial risk profile.

Key Rating Sensitivity Factors

- Debt-funded capex
- Stability in revenues and margins after recent expansion

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	3,656	3,565	3,071
OPBDIT	278	279	206
PAT	95	117	75
Tangible Networth	724	643	544
Total Debt	473	476	425

OPBDIT Margins (%)	7.6	7.8	6.6
Net Profit Margins (%)	2.6	3.2	2.4
Interest cover (times)	3.51	4.42	3.76
NCA / Total Debt (times)	0.31	0.32	0.27
Gearing (times)	0.65	0.74	0.78
Total Debt / PBDIT (times)	1.70	1.69	1.97

CavinKare Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
1/Jul/2008	A+**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Incorporated in 1990 by Mr. C K Ranganathan, CavinKare Private Ltd (CavinKare) primarily manufactures and sells personal care products. It has strong brands such as Chik, Meera, Indico, Nyle, Fairever, Karthika, and Spinz in this segment. Over the years, the company has diversified into other segments such as food products, beverages, and dairy, both through the organic as well as inorganic routes. Its major brands in the food products segment include Ruchi's, Chinni's, and the recently acquired Garden Namkeens. CavinKare sells its beverages and dairy products under the brands MAA Juice and Cavin's Milk, respectively.

Rating Strengths

- Established product portfolio with strong brand image and moderate operating efficiencies
- Moderate financial risk profile

Rating Weaknesses

- Intense competition, and volatile input material prices
- Relatively low geographical diversity
- Stabilisation of operations in dairy segment

Outlook:Stable

CRISIL believes that CavinKare will continue to benefit over the medium term from its established presence in the personal care segment. The division's growth and profitability, while under pressure in 2009-10 and in the first half of 2010-11, are expected to benefit over the medium term from initiatives such as product and packaging modification, revision in pricing points, streamlining of supply chain management, and increased budgetary allocation towards marketing and advertisement being undertaken by the company. The outlook may be revised to 'Positive' in case of substantial and sustainable growth in the revenue and improvement in profitability in the personal care division, along with a sooner-than-expected breakeven in the dairy division. Conversely, the outlook may be revised to 'Negative' in case the dairy division is unable to scale up as expected, or if the profitability of the personal care division deteriorates further, or if the company undertakes any unanticipated, large, debt-funded capital expenditure (capex) or acquisitions that adversely affects its financial risk profile.

Key Rating Sensitivity Factors

- Scale up and breakeven of dairy business
- Unrelated diversification
- Debt-funded capex or acquisitions
- Fluctuations in raw material prices

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	7641	6065	5022
OPBDIT	865	861	585
PAT	357	480	305
Tangible Networth	1546	1269	904
Total Debt	1402	883	534

OPBDIT Margins (%)	11.2	14.2	12
Net Profit Margins (%)	4.6	7.9	6.0
Interest cover (times)	5.91	3.76	7.90
NCA / Total Debt (times)	0.36	0.59	0.77
Gearing (times)	0.91	0.70	0.59
Total Debt / PBDIT (times)	1.63	1.08	0.91

Cement Manufacturing Company Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
10/Dec/2009	A**	-	A1**	Stable

*** Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Cement Manufacturing Company Ltd (CMCL) and its subsidiaries, Star Cement Meghalaya Ltd (SCML), Megha Technical and Engineers Pvt Ltd (MTEPL), and Meghalaya Power Ltd (MPL), together referred to as the CMCL group.

CMCL, a subsidiary of Century Plyboard (India) Ltd (rated 'CRISIL A+/Stable/CRISIL A1'), is based in Lumshnong (Meghalaya). It commenced its operations in December 2004. The company has an installed capacity of 792,000 tonnes per annum (tpa) for clinkering and 594,000 tpa for grinding. MTEPL was set up in May 2007 with a grinding capacity of 462,000 tpa, which has been gradually increased to 673,200 tpa. The combined cement manufacturing capacity of the CMCL group is about 1.3 million tonnes per annum (mtpa). SCML is setting up a 1.75-mtpa cement clinker plant in Lumshnong. MPL operates an 8-megawatt (MW) power plant and is setting upanother 43-MW power plant in the region.

Rating Strengths

- Established market position and brand image in North East India
- Benefits derived from high demand and fiscal incentives offered to players operating in North East India
- Healthy financial risk profile

Rating Weaknesses

- Vulnerability to cyclicality in cement industry
- Exposure to project implementation risks

Outlook:Stable

CRISIL believes that the CMCL group will maintain its credit profile over the medium term, supported by its strong net cash accruals and established market presence in the North East region. The outlook may be revised to 'Positive' if the group completes its ongoing capex, without cost or further time overruns, and reports strong growth in revenue and margins. Conversely, the outlook may be revised to 'Negative' if the CMCL group undertakes a larger-than-expected debt-funded capital expenditure (capex) programme, faces cost or time overrun in its projects, or derives less-than-expected benefits from operations, leading to a decline in its profitability.

Key Rating Sensitivity Factors

- More-than-expected investment in group concerns
- Extent and funding mix of capex
- Ability to maintain growth and profitability

Financial Performance (Not published)

Central UP Gas Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
29/Oct/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Incorporated in 2005, Central UP Gas Limited (CUGL) is a joint venture (JV) between GAIL (India) Ltd (GAIL, rated 'CRISIL AAA/Stable') and Bharat Petroleum Co Ltd (BPCL, rated 'CRISIL AAA/FAAA/Negative/CRISIL A1+'). CUGL was formed under the directives of the Ministry of Petroleum and Natural Gas (MoPNG) to roll out the city gas distribution (CGD) project at Kanpur and Bareilly. CUGL has been dispensing compressed natural gas (CNG) since April 2006 and piped natural gas (PNG) to domestic consumers in Kanpur since January 2009. The company's compressing facilities in Kanpur and Bareilly have installed capacity of 152,000 kilograms per day (kg/day) and 32,000 kg/day, respectively.

Rating Strengths

- Monopoly in CNG distribution in Kanpur and Bareilly
- Managerial and technical support from promoters GAIL and BPCL

Rating Weaknesses

- Financial flexibility constrained by large project under implementation
- Vulnerability to evolving regulatory environment

Outlook: Stable

CRISIL believes that CUGL will benefit over the medium term from its secure gas supplies and healthy cash accruals. The outlook may be revised to 'Positive' if CUGL executes its current expansion projects without significant time or cost overruns. Conversely, the outlook may be revised to 'Negative' in case of time and cost overruns in the project, which could result in debt repayment pressures on the company or if regulatory changes have material impact on the company.

Key Rating Sensitivity Factors

- Significant changes in project size, scheduling of capital expenditure, and funding there of
- Price and availability of gas
- Changes in regulatory framework

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	653	399	311
OPBDIT	231	140	126
PAT	123	71	79
Tangible Networth	846	743	656
Total Debt	-	-	-
OPBDIT Margins (%)	34.8	33.8	40.5
Net Profit Margins (%)	18.5	17.1	25.3
Interest cover (times)	-	-	223.73
NCA / Total Debt (times)	-	-	-
Gearing (times)	-	-	-
Total Debt / PBDIT (times)	-	-	-

Century Enka Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
2/Nov/2011	A+		A1+	Stable
20/May/2010	A+		A1+	Positive
31/Mar/2008	A+**		A1+	Stable
7/Jan/2008			A1+	

***Initial Bank loan rating assigned*

Company Background:

Century Enka Ltd (Cenka) was promoted jointly by the BK Birla group and Enka International (Enka), a part of the Netherlands-based Akzo Nobel group, in 1965. In 1999, Akzo Nobel was restructured and Accordis BV (Accordis), a separate entity, was formed to bring the worldwide fibre business of Akzo Nobel and the former Courtaulds Plc, UK, under one roof. Thus, in 2005, Enka's shareholding in Cenka was passed on to Accordis. In 2006, Centka bought back about 8.6 million shares from Accordis and extinguished these shares. Subsequently, Accordis sold its balance shareholding in Cenka in the open market; thus, its current shareholding in the company is nil.

Cenka manufactures industrial and textile yarn and fabric. Its products include nylon tyre cord fabric (NTCF), nylon-filament yarn (NFY), and partially oriented yarn (POY) and polyester chips. Its NTCF plants at Pune (Maharashtra) and Bharuch (Gujarat) have a total capacity of 22,000 tonnes per annum (tpa), and its synthetic yarn facilities, with a combined capacity of 125,200 tpa, are located at Pune, Bharuch, and Mahad (Maharashtra). The company has plans to increase its capacity in the NTCF division by 7500 tpa and in the NFY division by 3000 tpa along with installation of power generating sets of 6.6 MW and 3.3 MW at its Pune and Bharuch plants respectively, at a total estimated cost of Rs.3.9 billion to be funded by term debt of Rs.2.25 billion and the balance through internal accruals. Fresh capacities are expected to be operational by March 2011. The company has also backward integrated into the manufacture of nylon chips, with a plant in Pune that has an installed capacity of 46,800 tpa, and polyester chips through its Bharuch plant, with a capacity of 99,200 tpa.

Rating Strengths

- Diversified product profile, lending stability to revenues
- Healthy financial risk profile, coupled with strong financial flexibility

Rating Weakness

- Susceptibility of operating margins to volatility in input prices because of commodity nature of products

Outlook: Stable

CRISIL believes that Cenka will maintain its diversified product portfolio and improve its profitability gradually over the medium term. The company's financial risk profile is expected to remain healthy over the medium term, supported by reduced debt-funded capital expenditure (capex) plans. The outlook may be revised to 'Positive' if Cenka increases its revenues and significantly improves its profitability on a sustained basis, while maintaining a healthy financial risk profile marked by low gearing and comfortable debt protection metrics. Conversely, the outlook may be revised to 'Negative' if Cenka's cash accruals are less than expected, resulting in deterioration in its debt protection metrics, or if it undertakes a large debt-funded capex programme, thereby weakening its capital structure.

Key Rating Sensitivity Factors

- Competition from imports in NTCF business
- Profitability in synthetic yarns business
- Raw material prices
- Large debt-funded capex programme

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	13318	12180	11,510
OPBDIT	1753	2254	1,195
PAT	794	1002	192
Tangible Networth	6407	5637	4,556
Total Debt	4064	2076	2,845

OPBDIT Margins (%)	13.0	18.3	10.2
Net Profit Margins (%)	5.9	8.1	1.6
Interest cover (times)	9.92	12.01	2.33
NCA / Total Debt (times)	0.31	0.72	0.25
Gearing (times)	0.60	0.37	0.62
Total Debt / PBDIT (times)	2.19	0.90	2.05

Century Plyboards (India) Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
4/Oct/2010	A+		A1	Stable
16/Dec/2008	A**		A1	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Century Plyboards (India) Limited (CPIL) and its six subsidiaries: Cement Manufacturing Co Ltd (rated 'CRISIL A/Stable/CRISIL A1'), Auro Sundaram Ply and Doors (Pvt) Ltd, Aegis Business Ltd, Megha Technical and Engineers (Pvt) Ltd (rated 'CRISIL A/Stable/CRISIL A1'), Star Cement Meghalaya Ltd (rated 'CRISIL A/Stable'), and Meghalaya Power Ltd (rated 'CRISIL A/Stable'), together referred to as the Century group.

Set up in 1982 as a private company, CPIL was reconstituted as a public limited company in 1994. The company has been promoted by Mr. Banwari Lal Agarwal, Mr. Hari Prasad Agarwal, Mr. Sanjay Agarwal, and Mr. Sajjan Bhajanka. With the amalgamation of Shyam Century Ferrous Ltd with CPIL in April 2005, Mr. Brij Bhushan Agarwal, the promoter of the Shyam group, also became one of CPIL's promoters. In 2007-08, Century Panels Pvt Ltd (CPPL), Sharon Veneers Pvt Ltd (SVPL), and Sharon Wood Industries Pvt Ltd (SWPL) were amalgamated into CPIL.

Furthermore in 2010, CPIL diversified into the container freight station (CFS) business, by setting up a station near Kolkata port. The station is expected to deal with 31,000 containers each year, and contributes Rs.400 million to Rs.500 million to CPIL's revenues over the medium term.

The Century group has significant capital expenditure (capex) plans of Rs.13 billion for the next two to three years; of which, Rs.12 billion is expected to come up in its cement subsidiaries. The group proposes to maintain a gearing of around 2 times on the projects; this will constrain its financial risk profile to an extent. The capex plans, and their funding and timing, and the degree of success in their execution, will remain rating sensitivity factors.

Rating Strengths

- Established market position in plywood industry
- Diversified revenues streams
- Healthy financial risk profile

Rating Weaknesses

- Exposure to risks related to intense market competition, and fragmented and cyclical nature of industries in which Century group operates
- Exposure to risks related to project implementation in cement subsidiaries

Outlook:Stable

CRISIL believes that the Century group will continue to benefit from its established market position in the plywood and cement business. The group's capital structure is expected to remain comfortable, despite large capex plans over the medium term, because of strong accruals. The outlook may be revised to 'Positive' if the Century group enhances its scale of operations, while maintaining its profitability. Conversely, the outlook may be revised to 'Negative' if the group contracts larger-than-expected debt to fund its capex or if its profitability declines significantly.

Key Rating Sensitivity Factors

- Large debt-funded capex
- Extent of support to group companies
- Maintenance of profitability

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	11580	10371	8634
OPBDIT	2748	1683	2182
PAT	1832	934	1406
Tangible Networth	6071	4582	3855
Total Debt	4156	4013	2957
OPBDIT Margins (%)	22.6	15.4	25.1
Net Profit Margins (%)	15.1	8.6	16.2
Interest cover (times)	13.04	4.46	9.25
NCA / Total Debt (times)	0.50	0.32	0.51
Gearing (times)	0.68	0.88	0.77
Total Debt / PBDIT (times)	1.51	2.31	1.35

Charak Pharma Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
18/Dec/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Charak Pharma Pvt Ltd (Charak) and Ayurveda Agencies (AA), together referred to as the Charak group.

The Charak group was set up by two brothers, Mr. D N Shroff and Dr. S N Shroff, in 1947. The business is currently managed by the third generation of the Shroff family. Mr. Pulin Shroff, its managing director, is responsible for the growth and development of the business by entry into new areas. His activities are supported by his cousins Mr. Vikram Shroff (director – personnel, administration, legal and research and development operations), Mr. Nimish Shroff (director – operations and plant monitoring), Mr. Raj Shroff (director – finance), and Mr. Ram Shroff (director – marketing and international business).

The group manufactures various ayurvedic formulations. While Charak has a strong presence in the acute therapy and chronic ailment segments with products in more than 70 categories, AA's main business is to engage medical representatives to market these products to doctors. Also, Charak has set up a total of 20 ayurvedic clinics that offer treatments for the chronic ailment segment.

Charak Pharmaceuticals (India) Pvt Ltd, another Charak group's company in a similar line of business, was amalgamated with the group effective January 1, 2009.

Rating Strengths

- Established brands, and growing presence in emerging segments
- Healthy financial risk profile

Rating Weaknesses

- Exposure to intense competition from allopathic drugs and unorganised players
- Lack of established regulations and standards for ayurvedic drugs, constraining overall industry size and growth

Outlook: Stable

CRISIL believes that the Charak group will continue to benefit from its established market position, supported by its strong brands in the ayurvedic prescription segment. The outlook may be revised to 'Positive' if the group achieves higher-than-expected and sustained growth in topline and profitability. Conversely, the outlook may be revised to 'Negative' if the group undertakes debt-funded capacity expansions, thereby adversely impacting its financial risk profile.

Key Rating Sensitivity Factors

- Changes in regulatory norms for ayurvedic drugs
- Funding pattern for growth

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09
Net Sales	1,051	1018
OPBDIT	141	170
PAT	81	105
Tangible Networth	240	227
Total Debt	194	230
OPBDIT Margins (%)	13.4	16.7
Net Profit Margins (%)	7.7	10.3
Interest cover (times)	6.97	6.40
NCA / Total Debt (times)	0.16	0.28
Gearing (times)	0.81	1.01
Total Debt / PBDIT (times)	1.38	1.36

Chembond Chemicals Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
14/Oct/2010	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Chembond Chemicals Ltd (Chembond) and its various subsidiaries (Chembond Ashland Water Technologies Ltd and Protochem Industries Pvt Ltd), joint venture (JV) (Henkel Chembond Surface Technologies Ltd) and associate companies (CCL Building Systems Ltd and Chembond Enzyme Company Ltd), together referred to as the Chembond group.

Set up in 1975 by Dr. Vinod Shah, Mr. Ashwin Nagarwadia and Mr. Parviz Dastur, Chembond manufactures specialty chemicals and provides a range of products for diverse industrial applications. It produces metal treatment chemicals, water treatment chemicals and industrial enzymes and sells through its subsidiaries and JVs. Chembond also produces construction chemicals for the building construction and infrastructure sectors, and high performance coatings for structural protection from corrosion, for floors and walls in clean rooms, and for shop floors and building exteriors. Recently, the company diversified into equipment-based solutions for water treatment. Additionally, it undertakes trading of building construction chemicals.

In 1997, Chembond entered into a JV with Henkel, Germany, for metal treatment chemicals. In 2001, the group formed another JV with Ashland Inc., USA and simultaneously acquired Drewtreat Chemicals Ltd for water treatment chemicals. The group also acquired Protochem Industries Ltd in 2009, followed by a JV with H2O Innovation, Canada, in February 2010. The group's manufacturing and blending plants are located at Tarapur (Thane, Maharashtra), Baddi (Himachal Pradesh), and Dudhwada (Vadodara, Gujarat). It has additional blending plants are located in Chennai (Tamil Nadu), and Balasore (Bhubaneshwar, Orissa).

Rating Strengths

- Healthy financial risk profile, supported by steady cash accruals
- Strong business risk profile
- Wide customer base, spread across sectors and geographies

Rating Weaknesses

- High working-capital-intensive operations
- Intense competition

Outlook: Stable

CRISIL believes that the Chembond group will maintain its credit risk profile over the medium term, supported by increasing demand for its products from its key customers and sustained profitability in its business. The outlook may be revised to 'Positive' if the Chembond group's scale of operations increases substantially, with sustained improvement in profitability and improvement in debtor collection cycle. Conversely, the outlook may be revised to 'Negative', if the group's liquidity weakens led by further stretching of receivables or sharp slowdown in customer demand adversely affecting the group's operating performance.

Key Rating Sensitivity Factors

- Any large acquisition and funding pattern thereof
- Higher-than-expected capital expenditure and funding pattern thereof
- Change in demand caused by an economic cycle
- Change in JV arrangements

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1142	1100	951
OPBDIT	74	58	57
PAT	52	48	50
Tangible Networth	287	248	194
Total Debt	206	195	80
OPBDIT Margins (%)	6.3	5.1	5.8
Net Profit Margins (%)	4.4	4.3	5.0
Interest cover (times)	4.42	3.76	4.56
NCA / Total Debt (times)	0.24	0.23	0.54
Gearing (times)	0.72	0.79	0.41
Total Debt / PBDIT (times)	2.10	2.47	1.14

Chemical Process Equipments Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
26/Nov/2008	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the financial and business risk profiles of Chemical Process Equipments Private Ltd (CPEL) and its group company, Chemical Process Piping Pvt Ltd (CPPL), together referred to as the Chemical Process group.

CPEL, promoted by Mr. B S Rajpurohit, was set up in 1964. The company manufactures fibreglass reinforced plastic (FRP) products, mainly tanks and pipes. In 2004, CPEL demerged its piping business into CPPL. Mr. Rajpurohit's sons, Mr. Ashwin Rajpurohit and Mr. Vijay Rajpurohit, manage CPEL and CPPL, respectively. The Chemical Process group has five manufacturing facilities, in Mumbai and Vadodara (Gujarat). FRP products find usage in industries using corrosive chemicals such as fertiliser, chemical, food, metallurgical, and pharmaceutical industries, besides water desalination. The group derives about half its revenues from exports. It is currently expanding both its pipe as well as tank manufacturing capacities.

Rating Strengths

- Established track record
- Experienced and qualified management
- Healthy financial risk profile

Rating Weakness

- Large working capital requirements, and limited market size

Outlook: Stable

CRISIL believes that the Chemical Process group will maintain its current business and financial risk profiles over the medium term on the back of its established market position and healthy growth potential, driven by the increasing demand for its products in global markets. The outlook may be revised to 'Positive' if the group is able to bring about a significant and sustainable increase in its scale of operations, while maintaining its current capital structure. Conversely, the outlook may be revised to 'Negative' if the group undertakes a larger-than-expected debt-funded capital expenditure (capex), which adversely impacts its credit risk profile, or if it extends significant financial support to other associate companies.

Key Rating Sensitivity Factors

- Degree of growth in end-user industries
- Extent and funding-mix of capex
- Continuation of family ties and synergies
- Support to associate concerns

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	945	926	858
OPBDIT	141	129	120
PAT	73	60	64
Tangible Networth	335	280	236
Total Debt	93	61	84
OPBDIT Margins (%)	14.5	13.5	13.2
Net Profit Margins (%)	7.5	6.3	7.0
Interest cover (times)	10.57	11.49	9.48
NCA / Total Debt (times)	0.76	0.94	0.71
Gearing (times)	0.28	0.22	0.36
Total Debt / PBDIT (times)	0.64	0.49	0.70

Chemical Process Piping Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
26/Nov/2008	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the financial and business risk profiles of Chemical Process Equipments Private Ltd (CPEL) and its group company, Chemical Process Piping Pvt Ltd (CPPL), together referred to as the Chemical Process group

CPEL, promoted by Mr. B S Rajpurohit, was set up in 1964. The company manufactures fibreglass reinforced plastic (FRP) products, mainly tanks and pipes. In 2004, CPEL demerged its piping business into CPPL. Mr. Rajpurohit's sons, Mr. Ashwin Rajpurohit and Mr. Vijay Rajpurohit, manage CPEL and CPPL, respectively. The Chemical Process group has five manufacturing facilities, in Mumbai and Vadodara (Gujarat). FRP products find usage in industries using corrosive chemicals such as fertiliser, chemical, food, metallurgical, and pharmaceutical industries, besides water desalination. The group derives about half its revenues from exports. It is currently expanding both its pipe as well as tank manufacturing capacities.

Rating Strengths

- Established track record
- Experienced and qualified management
- Healthy financial risk profile

Rating Weakness

- Large working capital requirements, and limited market size

Outlook:Stable

CRISIL believes that the Chemical Process group will maintain its current business and financial risk profiles over the medium term on the back of its established market position and healthy growth potential, driven by the increasing demand for its products in global markets. The outlook may be revised to 'Positive' if the group achieves a significant and sustainable increase in its scale of operations, while maintaining its current capital structure. Conversely, the outlook may be revised to 'Negative' if the group undertakes a larger-than-expected debt-funded capital expenditure (capex) programme which adversely impacts its credit risk profile, or if it extends significant financial support to other associate companies.

Key Rating Sensitivity Factors

- Degree of growth in end-user industries
- Extent and funding-mix of capex
- Continuation of family ties and synergies
- Support to associate concerns

Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	945	926	858
OPBDIT	141	129	120
PAT	73	60	64
Tangible Networth	335	280	236
Total Debt	93	61	84
OPBDIT Margins (%)	14.5	13.5	13.2
Net Profit Margins (%)	7.5	6.3	7.0
Interest cover (times)	10.57	11.49	9.48
NCA / Total Debt (times)	0.76	0.94	0.71
Gearing (times)	0.28	0.22	0.36
Total Debt / PBDIT (times)	0.64	0.49	0.70

Chennai Metropolitan Water Supply and Sewerage Board

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A+ (SO)			Stable
Rating History				
11/Dec/2009	A+ (SO)			Stable
20/Feb/2007	AA- (SO)			Stable; removed from Rating Watch with Negative Implications
7/Jul/2006	AA (SO)			Placed on Rating watch with negative implications

Company Background

The ratings on Chennai Metropolitan Water Supply and Sewerage Board's (CMWSSB's) bonds are centrally based on the credit risk profile of the Government of Tamil Nadu (GoTN) and credit enhancement in the form of escrow of water supply and sewerage charges.

CMWSSB was constituted under the CMWSS Act, 1978, to take charge of the Corporation of Chennai's water supply and sewerage functions. It functions as a financially self-supporting entity and generates income to meet all its operational expenses and capital expenditure while providing for all future financial and operational obligations. CMWSSB caters to a total population of 5.3 million and covers an area of 183 sq km through its water and sewerage distribution system, which is divided into 11 operational zones.

Rating Strengths

- Strong support from GoTN
- Healthy economic base, which lends stability to revenues
- Extensive service area coverage

Rating Weaknesses

- Weak financial risk profile
- Large proportion of un-metered connections
- Moderate pricing flexibility

Outlook: Stable

The outlook is based on CMWSSB's stable cash flows from user charges and taxes, continued adherence to credit enhancement mechanism, and stable credit risk profile of GoTN.

Key Rating Sensitivity Factors

- Extent of adherence to credit enhancement mechanism
- Extent of support from GoTN and CRISIL's view on GoTN's credit risk profile

Financial Performance

Rupees Billion	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3.2	3.2	2.7
OPBDIT	1.0	1.2	1.3
PAT	-1.1	-0.8	-0.3
Tangible Networth	19.6	17.8	17.2
Total Debt	13.0	13.4	13.3

OPBDIT Margins (%)	26.0	34.4	37.7
Net Profit Margins (%)	-29.1	-21.3	-10.2
Interest cover (times)	1.22	1.60	2.54
NCA / Total Debt times)	0.01	0.04	0.11
Gearing (times)	0.66	0.75	0.78
Total Debt / PBDIT (times)	13.16	8.84	5.47

Chetak Enterprises Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A(SO)		A1(SO)	Stable
Rating History				
1/Jul/2011	A(SO)		A1(SO)	Stable
1/Apr/2010	A(SO)/BBB		A1(SO)/A3+	Stable
24/Nov/2088	A(SO)/BBB**		A1 (SO)**	Stable

***Initial Bank loan rating assigned*

Company Background

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Chetak Enterprises Ltd (Chetak) and Dewas-Bhopal Corridor Ltd (DBCL), a special purpose vehicle (SPV), to the extent of Chetak's ownership of 50 per cent in DBCPL.

Set up in 1991 as a partnership firm by Mr. Udai Lal Anjana, a former Member of Parliament, and Mr. Hukmi Chand Jain, Chetak initially executed payment-based cash contracts for the Public Works Departments (PWDs) of Rajasthan and Madhya Pradesh. The firm was reconstituted as a private limited company in March 2000, and became a public limited company in July 2007. Chetak has completed eight build-operate transfer (BOT) projects, of which five are revenue generating; it has already handed over three projects to the Government of Rajasthan. Except DBCL, which is structured as an SPV, Chetak has structured all its BOT projects on its own because of their small scale.

Chetak has entered into two new JVs; ECA Infrastructure India Pvt Ltd (ECA; 30 per cent share) and Shillong Bypass Project (25 per cent). The tolling profits from these projects will be shared in the ratio of equity contribution.

Rating Strengths

- Healthy toll revenue generation
- Above-average operating capabilities

Rating Weaknesses

- Concentration of revenues in road sector, which is intensely competitive
- Average debt protection measures

Outlook: Stable

CRISIL believes that Chetak will maintain its revenues and profitability, supported by increasing contribution from toll-generating projects, over the medium term. The outlook may be revised to 'Positive' in case of more-than-expected improvement in Chetak's capital structure and debt protection metrics, most likely because of more-than-expected cash accruals. Conversely, additional debt contracted for funding large projects, which could weaken Chetak's capital structure and debt protection metrics, may result in a revision in the outlook to 'Negative'.

Key Rating Sensitivity Factors

- Additional BOT road projects undertaken in future, and their funding
- Success of diversification initiative into non-road projects, and their funding

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1,431	2,271	2,126
OPBDIT	1,071	947	773
PAT	152	402	369
Tangible Networth	2,980	2,917	2,366
Total Debt	4,533	4,533	3,090
OPBDIT Margins (%)	74.8	41.7	36.3
Net Profit Margins (%)	10.6	17.7	17.3
Interest cover (times)	2.24	4.03	5.12
NCA / Total Debt times)	0.12	0.14	0.18
Gearing (times)	1.52	1.55	1.31
Total Debt / PBDIT (times)	4.04	4.66	3.86

Cheviot Company Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
10/Mar/2009	A+**		A1+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Cheviot Company Ltd (CCL) was incorporated in 1897 as Delta Jute Mills Company Ltd (DJM), as a part of the Andrew Yule group. In 1967, DJM amalgamated two jute mills, Budge Budge Jute Mills Company Ltd (Budge Budge) and Cheviot Jute Mills Company Ltd (CJM) with itself. After the merger, DJM was renamed Budge Budge Amalgamated Mills Ltd (BBAML). In 1972, BBAM went through another round of restructuring, wherein the divisions related to the erstwhile DJM and Budge Budge were de-merged into separate companies.

The current promoters took over full management control of the company in 1976, when the name of the company was changed to the current one. At present, Mr. B D Kanoria is the Chairman (Emeritus) of the company, while its day-to-day operations are managed by his son Mr. H V Kanoria. CCL manufactures precision fine jute yarn, sacking cloth, hessian cloth, and superior jute hessian cloth. It has quality assurance system IS/ISO 9001:2000 and is a government-recognised export house. The company's jute mill and weaving plant are located at Budge Budge and the Falta special economic zone (SEZ), respectively. The company also has a captive power plant with an installed capacity of 3.14 megawatts (MW); power requirements are, however, sourced from CESC Ltd, and the captive plant is used as a stand-by arrangement.

Rating Strengths

- Strong financial risk profile
- Healthy business profile

Rating Weaknesses

- Regulated nature of jute industry
- Expected slowdown in export demand

Outlook: Stable

CRISIL believes that CCL will maintain its strong financial risk profile driven by its robust cash accruals and absence of any major debt-funded capital expenditure (capex) plan. The promising demand scenario in the domestic markets for the company's products, coupled with improving demand in the export markets augurs well for the sustainable top-line growth for the company over the medium term. The outlook may be revised to 'Positive' in case CCL diversifies its product profile and expands its geographical reach, while sustaining its profitability. Conversely, the outlook may be revised to 'Negative' if CCL undertakes any large debt-funded capex programme that may weaken its capital structure, or if there is any adverse change in the Government of India's policy for the jute sector, constraining the company's revenue growth.

Key Rating Sensitivity Factors

- Maintenance of operating margins
- Aggressive debt-funded capex
- Change in regulations in jute industry

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1719	1867	1764
OPBDIT	165	279	276
PAT	164	120	220
Tangible Networth	1788	1666	1577
Total Debt	156	52	78

OPBDIT Margins (%)	9.45	14.7	15.4
Net Profit Margins (%)	9.4	6.3	12.2
Interest cover (times)	54.47	28.60	48.12
NCA / Total Debt (times)	1.02	2.57	2.59
Gearing (times)	0.89	0.03	0.05
Total Debt / PBDIT (times)	0.62	0.21	0.24

CHW Forge Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
4/Sep/2008	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

CHW Forge Pvt Ltd (CHW) was initially set up as a partnership concern in 1956 by the Chaudhry family based in Ghaziabad (Uttar Pradesh [UP]) and it was reconstituted as a private limited company in 1970, thereafter as a public limited company in 2003 named, Chaudhry Hammer Works Ltd and subsequently to its current form i.e. CHW in 2010-11.

CHW can manufacture rings of 4500 mm diameter, 650 mm height and 5 MT weight in carbon steel, alloy steel & stainless steel material, which specifically caters to the customised forging needs of the oil and gas, petrochemical, windmill, heavy earth-moving, and other engineering application industries. The company has two operating units, one each in Ghaziabad and Greater Noida (UP), with a combined block forging capacity of 7200 tonnes per annum (TPA) and ring rolling capacity of 12,000 TPA.

CHW exports its products to around 15 countries and is an approved vendor for large and reputed companies like Kuwait National Petroleum Co, Kuwait Oil Company and Qatar General Petroleum Corporation.

CHW is an ISO 9001:2008 accredited by Bureau Veritas Quality International (BVQI) and their products are also certified to AD.2000–Merkblatt WO and PED 97/23/EC by RWTUV, Germany. CHW has an API 6A Monogram license for supply of flanges for Weld head and Christmas Tree Equipment. The company's plant is also certified for ISO 14001:2004 and OHSAS:18001:2007 by BVQI.

Rating Strengths

- Healthy financial risk profile
- Established position in forged flanges industry, supported by reputed customer profile
- Above-average operating efficiencies

Rating Weaknesses

- Large working capital requirements
- Susceptibility to expected increase in competition, with entry of new players

Outlook: Stable

CRISIL believes that CHW will benefit over the medium term from its strong market position in the flanges and rings segment of the industrial forging industry and its healthy financial risk profile. The outlook may be revised to 'Positive' if there is an improvement in CHW's scale of operations and operating efficiencies, backed by improvement in capacity utilisation and diversification of end-user base. Conversely, the outlook may be revised to 'Negative' if CHW's financial risk profile deteriorates, particularly if it undertakes additional large debt-funded capital expenditure (capex) programme, or if there is deterioration in its OPBDIT margins or debt protection metrics.

Key Rating Sensitivity Factors

- Diversification of end-user industry base
- Capacity utilisation of new plant
- Sustenance of operating profit before depreciation, interest, and tax (OPBDIT) margins
- Capex plan and its funding pattern
- Management of foreign exchange (forex) risk

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1,155	945	1,210
OPBDIT	290	218	416
PAT	100	68	141
Tangible Networth	901	801	733
Total Debt	564	362	693

OPBDIT Margins (%)	21.5	20.0	31.0
Net Profit Margins (%)	7.4	6.2	10.5
Interest cover (times)	9.06	7.72	7.59
NCA / Total Debt (times)	0.38	0.52	0.33
Gearing (times)	0.63	0.45	0.95
Total Debt / PBDIT (times)	1.95	1.67	1.67

CMI FPE Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
11/Mar/2011	A+		A1	Stable
10/Feb/2010	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

CMI FPE Limited (CMI FPE), formerly Flat Products Equipments India Ltd (FPE), was set up in 1986 as a private limited company. It became a deemed public limited company in July 1992; in 1993, it made an initial public offering to fund its expansion plans, following which it was converted into a public limited company. In June 2008, FPE was acquired by a Belgium-based group, Cockerill Maintenance & Ingeniere (CMI), and was subsequently renamed CMI FPE Ltd. CMI holds 74.89 per cent share in CMI FPE.

At the time of inception, CMI FPE's main business was manufacturing CR mills and auxiliary equipment for the CR and metal processing industries. After being converted to a public limited company, the company undertook greenfield projects and expansion and modernisation of CR mills, and entered into design and implementation of turnkey projects of CR mills, galvanising lines, pickling lines, and colour coating lines. CMI FPE has two manufacturing facilities – one in Taloja (Maharashtra) and the other in Silvassa (Union Territory of Dadra and Nagar Haveli).

Rating Strengths

- Dominant position in domestic cold rolled (CR) mills segment and established presence in export market
- Healthy financial risk profile
- High technical competence and support from CMI group

Rating Weaknesses

- Exposure to risks relating to cyclicality in steel industry
- Working-capital-intensive operations
- Customer concentration

Outlook: Stable

CRISIL believes that CMI FPE will improve its business risk profile over the medium term, supported by its healthy order book and improved working capital management. The financial risk profile is also expected to remain adequate, with low debt level and comfortable debt protection metrics. The outlook may be revised to 'Positive' if CMI FPE reports more-than-expected improvement in revenues and profitability over the medium term. Conversely, the outlook may be revised to 'Negative' if CMI FPE's profitability and revenues are lower than expected, capital structure weakens because of larger-than-expected debt-funded capital expenditure or acquisitions, or working capital borrowings increase.

Key Rating Sensitivity Factors

- Working capital management
- Significant delays in execution of projects for customers

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3869	4575	3278
OPBDIT	437	244	339
PAT	273	27	83
Tangible Networth	1061	843	848
Total Debt	-	557	1057

OPBDIT Margins (%)	11.26	5.3	10.3
Net Profit Margins (%)	7.0	0.6	2.5
Interest cover (times)	6.58	2.99	3.11
NCA / Total Debt (times)	-	0.13	0.12
Gearing (times)	-	0.66	1.25
Total Debt / PBDIT (times)	-	2.36	3.71

Coastal Gujarat Power Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+			**Positive**
Rating History				
5/May/2011	**A+**			**Positive**
6/Apr /2010	**A+****			**Stable**

***Initial Bank loan rating assigned*

Company Background:

Coastal Gujarat Power Ltd (CGPL), a wholly owned subsidiary of The Tata Power Company Ltd, (Tata Power; rated 'CRISIL AA/Positive/CRISIL A1+'), is a special purpose vehicle (SPV) formed for implementing a 4,000 MW ultra mega power plant (UMPP) in Mundra. The project cost, originally estimated at around Rs.170 billion, is being funded in a debt-to-equity ratio of 75:25. CGPL may face cost overruns in the project, largely due to its unhedged exposure to foreign currency debt; however, the overrun is not expected to be significant for the scale of the project.

Unit I is expected to commence commercial operations in 2011-12 and the other four units, with capacity of 800 MW each, are expected to commence commercial operations in a phased manner; the entire capacity is expected to be operational by the end of 2012-13. CGPL has procured the boiler package from Doosan Heavy Industries & Construction Co Ltd, Korea, and the turbine package from Toshiba Power Systems Company, Japan, for the UMPP. Furthermore, the power purchase agreements (PPAs) with state power utilities of Gujarat, Rajasthan, Maharashtra, Punjab, and Haryana are in place. The fuel (coal) for the plant will be primarily sourced from Indonesia; the company plans to procure coal from Australia and South Africa as well. Tata Power has long-term agreements with Indonesian companies, PT Kaltim Prima Coal and PT Arutmin Indonesia, for supply of 10 to 12 million tonnes per annum of coal, from which the Mundra project will get its share; Tata Power holds an effective stake of 30 per cent in each of these companies. These agreements are expected to meet a substantial part of CGPL's fuel requirement.

Tata Power is the largest private power utility in India, with installed generation capacity of about 3,127 MW as on March 31, 2011. The company is present across the entire power business spectrum, from generation (thermal, hydel, solar, and wind) to transmission and distribution. The company's licensee businesses in Mumbai and New Delhi contribute about half of its consolidated revenue. Tata Power also supplies power to Tata Steel Ltd in Jharkhand, and to Karnataka distribution companies as an independent power producer. Powerlinks Transmission Ltd ('CRISIL AA+/Stable'), a joint venture of Tata Power and Power Grid Corporation of India Ltd (PGCIL; 'CRISIL AAA/ /Stable/CRISIL A1+'), runs a 400-kilovolt transmission line from Bhutan to Delhi.

Rating Strengths

- Support from parent, Tata Power
- Significant progress in ongoing UMPP in Mundra
- PPAs ensuring offtake of entire capacity of project, and fuel supply tie-ups for a substantial part of plant's requirement

Rating Weakness

- Exposure to risks inherent in implementation stage of project

Outlook: Positive

CRISIL believes that CGPL will remain strategically important to Tata Power. The rating may be upgraded if CGPL stabilises operations at the initial units of its project. Conversely, delays in the project, resulting in further increase in project cost, could lead to a revision in outlook to 'Stable'.

Key Rating Sensitivity Factors

- Significant time or cost overruns
- Political risk in Indonesia, the largest source of fuel
- Credit quality of, and extent of support from, Tata Power

Financial Performance (Not Published)

Coimbatore Polytex Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Positive
Rating History				
17/Nov/2010	A+		A1+	Positive
28/May/2008	A+**		A1+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of eight entities in the Premier group. The entities are Coimbatore Polytex Private Limited (CPT), Premier Mills Private Limited, Sree Narasimha Textiles Pvt Ltd (SNTPL), Premier Spinning and Weaving Mills Pvt Ltd, Prima Products Pvt Ltd, Premier Cotton Textiles, Lakshmi Narasimha Textiles Pvt Ltd, and Premier Fine Linens Pvt Ltd.

The Premier group was set up in 1945 by Mr. V N Ramachandran. Over the years, it has grown into an established textile house in southern India, with presence in the entire textile value chain. The spinning division accounts from nearly 66 per cent of the group's turnover, while made-ups and cloth account for the remainder. Exports accounted for 50 per cent of the total turnover in 2009-10.

Rating Strengths

- Established presence across textile value chain
- Diversified revenue profile, with strong market position and operating efficiency
- Moderate financial risk profile

Rating Weaknesses

- Volatility in raw material prices
- Exposure to fluctuations in value of rupee

Outlook: Positive

CRISIL believes that the Premier group's capital structure and operating efficiency will improve and that the group will maintain its strong liquidity over the medium term. The rating may be upgraded if the group reports strong growth in its revenues while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Stable' if the group contracts more-than-expected debt to fund its capital expenditure (capex) or working capital requirements, or there is a steep decline in yarn realisations, adversely affecting its operating margin, or if there is lesser-than-expected business synergy among the group entities.

Key Rating Sensitivity Factors

- Fluctuations in cotton prices and rupee appreciation
- Continuation of family group synergies

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	6925	6218	6438
OPBDIT	1705	1404	1699
PAT	498	192	299
Tangible Networth	5101	4583	4388
Total Debt	7257	8114	8413

OPBDIT Margins (%)	22.8	20.8	24.8
Net Profit Margins (%)	6.7	2.8	4.4
Interest cover (times)	4.41	2.42	3.45
NCA / Total Debt (times)	0.19	0.11	0.12
Gearing (times)	1.42	1.77	1.92
Total Debt / PBDIT (times)	3.64	5.06	4.68

Consulting Engineering Services (India) Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
18/Mar/2010	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Consulting Engineering Services (India) Private Limited (CES) and its subsidiary, Consulting Engineering Services LLC (CES LLC), together referred to as the CES group. CES, set up in 1969 by Mr. S Ghosh, Mr. SS Chakraborty, and Mr. KK Framji, provides multi-disciplinary consulting services in infrastructure, urban and regional planning, water resources, environment and ecology, non-conventional energy, and other special projects. It employs over 300 independent consultants and 1500 house engineers.

CES LLC undertakes consulting projects in Oman and other Middle East countries, and Bengal CES, provides consulting for Jawahar Lal Nehru Urban Renewal Mission (JNNURM) projects in West Bengal, and also for developing a health city (Burdwan Health City) in Burdwan (West Bengal) through its subsidiary Bengal Faith Healthcare (BFH). CES has recently tied up Jacobs as a strategic investor and partner. As per the agreement with Jacobs, CES has applied for de-merger of all its businesses, apart from consulting services, into a separate holding company.

Rating Strengths

- Established position in engineering consulting services sector
- Comfortable financial risk profile marked by healthy capital structure and debt protection measures

Rating Weaknesses

- Limited scale of operations and moderate profitability
- Limited operational efficiency because of inadequate processes and lack of Information Technology (IT) infrastructure

Outlook: Stable

CRISIL expects the CES group to maintain its comfortable business risk profile backed by its established position as an engineering consultant in the infrastructure sector and long-standing relationships with its customers. The outlook may be revised to 'Positive' if there are any significant improvements in the group's scale of operations. Conversely, the outlook may be revised to 'Negative' if there is substantial increase in working capital requirements that leads to pressure on cash accruals, or if there is larger-than-expected support to fund projects of other group companies.

Key Rating Sensitivity Factors

- Extent of support offered to group companies and Burdwan health city project
- Successful demerger of CES in accordance with an agreement signed with Jacobs Engineering group
- Capital expenditure plans and funding mix

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1425	2157	1898
OPBDIT	507	282	232
PAT	304	136	97
Tangible Networth	658	715	511
Total Debt	228	178	161
OPBDIT Margins (%)	23.9	13.0	12.2
Net Profit Margins (%)	14.3	6.3	5.1
Interest cover (times)	11.62	8.62	7.54
NCA / Total Debt (times)	1.44	0.95	0.76
Gearing (times)	0.35	0.25	0.32
Total Debt / PBDIT (times)	0.44	0.61	0.78

Croda Chemicals (India) Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
19/Jun/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Croda Chemicals (India) Private Limited (Croda India) is a wholly-owned subsidiary of Croda International Plc, England (Croda International). It was set up in 1995 for marketing and manufacturing specialty chemical products in India. In 2006, Croda International acquired the Uniqema business from Imperial Chemical Industries Plc (ICI). Consequently, the Uniqema business of ICI India (Uniqema India) was acquired by Croda India for Rs.2.88 billion on a slump-sale basis, in January 2007. This acquisition gave Croda India a strong manufacturing base in India.

Rating Strengths

- Strong financial and operational support from parent, Croda International Plc, UK (Croda International)
- Established position in domestic specialty chemicals market, as reflected in healthy operating margin

Rating Weakness

- Exposure to volatility in raw material prices and foreign exchange (forex) rates, and to intense market competition

Outlook: Stable

CRISIL believes that Croda India will maintain its business risk profile over the medium term, supported by its established market position in the consumer care and textile specialty chemicals segment and support from its parent, Croda International. The outlook may be revised to 'Positive' if there is a significant and sustained growth in Croda India's revenues and improvement in its operating profitability. Conversely, the outlook may be revised to 'Negative' in case of a weaker-than-expected business performance by the company, or deterioration in its capital structure or liquidity.

Key Rating Sensitivity Factors

- Decline in financial and operational support received from parent
- Contribution of new specialty products and ability to sustain business growth and flexibility
- Investment in group companies
- Extent of debt-funded capital expenditure
- Preference share refinancing

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2291	1903	1711
OPBDIT	519	474	306
PAT	-26	-78	-272
Tangible Networth	129	163	241
Total Debt	2113	2119	2116
OPBDIT Margins (%)	22.4	24.4	17.6
Net Profit Margins (%)	-1.1	-4.0	-15.6
Interest cover (times)	3.91	3.64	2.01
NCA / Total Debt (times)	0.20	0.17	0.07
Gearing (times)	16.38	13.02	8.79
Total Debt / PBDIT (times)	3.87	4.35	6.81

Daimler India Commercial Vehicles Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Stable
Rating History				
2/Jul/2009	A+			Stable
20/Jun/2008	AA-**			Stable

***Initial Bank loan rating assigned*

Company Background:

Daimler India Commercial Vehicles Private Limited (DICVPL) was incorporated in 2007 as a joint venture (JV) between Daimler AG (Daimler, rated 'A-/Stable/A-2' by Standard & Poor's) and the Hero Group to manufacture light, medium, and heavy commercial vehicles (CVs). Following the Hero group's decision to disengage from the JV, DICVPL became the wholly owned subsidiary of Daimler. DICVPL is setting up a greenfield project at Oragadam (Tamil Nadu), with an overall planned capacity of 100,000 units, and is scheduled to commence commercial production in 2012. The project cost is estimated at € 930 million, and will be incurred between 2008 and 2014. DICVPL plans to introduce a range of CVs in the 6-to 49-tonne category between 2012 and 2015. DICVPL commenced marketing, sales and after-sales activities of the Actros range of premium trucks, on behalf of its associate, Mercedes-Benz India Ltd, on July 1, 2010.

About Daimler

Daimler, headquartered in Stuttgart, Germany, is a global leader in the manufacture of premium passenger cars, and the largest manufacturer of CVs in the world. Its business divisions include Mercedes-Benz Cars, Daimler Trucks, Daimler Financial Services, Mercedes-Benz Vans, and Daimler Buses. Daimler sells its products in nearly all countries, and has production facilities across five continents. Its current brand portfolio includes automobile brands Mercedes-Benz, Smart, AMG, and Maybach; and CV brands Freightliner, Sterling, Western Star, Mitsubishi Fuso, and Thomas Built Buses. Daimler offers tailored solutions and sustainable technologies worldwide. Daimler Trucks has 28 manufacturing locations across Germany, Turkey, Portugal, France, Japan, Thailand, the US, Canada, Mexico, Brazil, and South Africa. The main manufacturing facilities are located in the US, Germany and Japan.

Rating Strengths

- Strong managerial, operational, and financial support from parent, Daimler

Rating Weaknesses

- Exposure to project implementation risks
- Presence in highly competitive and cyclical CV market

Outlook: Stable

CRISIL believes that DICVPL's greenfield project will commence commercial production without significant time and cost overruns. The outlook may be revised to 'Positive' in case DICVPL's utilisation levels increase significantly within a short span of time, post commencement, leading to substantial revenue growth and consequently, lower-than-expected losses in initial years of operations. Conversely, the rating outlook may be revised to 'Negative' in case of delays in completion of the project, cost overruns, or sub-par utilisation levels, after commencement of commercial production. Also, any revision in the rating on Daimler by S&P may lead to a similar revision in the rating on DICVPL.

Key Rating Sensitivity Factors

- Extent of support from parent
- Time and cost overruns in implementation of project

Financial Performance (Not Published)

Dash Exports Pvt. Ltd.

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
16/Feb/2011	A-			Stable
3/Apr/2009	BBB**			Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its rating, CRISIL has combined the business and financial risk profiles of Shakti Bhog Foods Ltd (SBFL), Shakti Bhog Snacks Ltd (SBSL), Kumar Food Industries Ltd (KFIL), and Dash Exports Pvt Ltd (DEPL), together referred to as the Shakti Bhog group. SBFL, the group's flagship company, was incorporated in 1992. SBFL manufactures agro-based products, such as wheat flour, rice, edible oil, biscuits and dalia, sold primarily under the Shakti Bhog brand. Incorporated in 1998, SBSL manufactures agro-based products, such as tea, jam, and pickles, sold under the Shakti Bhog brand. The company is a wholly-owned subsidiary of SBFL. KFIL was promoted in 1991 and manufactures besan (gram flour) and pulses, majority of which it sells to SBFL. DEPL was incorporated in 2004, following the acquisition of the atta (wheat flour) manufacturing facility, including the land and building, of Cargil India Pvt Ltd (Cargil), located at Greater Noida (Uttar Pradesh). These facilities were used by Cargil to manufacture its Nature Fresh brand of atta. DEPL manufactures atta, majority of which it sells to SBFL.

Rating Strengths

- Established brand and extensive distribution network in domestic market
- Improving operating efficiencies and product portfolio

Rating Weaknesses

- High gearing level driven by large capital expenditure (capex) and increasing working capital requirements
- Large inventory level exposes the group to risks associated with volatility in raw material prices

Outlook: Stable

CRISIL believes that the Shakti Bhog group will maintain its established position in the packaged wheat flour segment, and benefit from its improving operating efficiency and product profile. The outlook may be revised to 'Positive' in case of more-than-expected improvement in the group's financial risk profile, on account of fresh equity infusion or better-than-expected cash accruals. Conversely, the outlook may be revised to 'Negative' in case of more-than-expected deterioration in the group's financial risk profile or decline in its operating margin or scale of operations.

Key Rating Sensitivity Factors

- Capex plans, and their funding pattern
- Infusion of capital in the group
- Management of working capital requirements
- Improvement in operating margins
- Successful entry into biscuit and edible oil segment

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	27777	20532	15389
OPBDIT	2297	1607	806
PAT	943	703	332
Tangible Networth	3056	2101	1381
Total Debt	8075	4820	2153

OPBDIT Margins (%)	8.3	5.3	5.2
Net Profit Margins (%)	3.4	2.3	2.2
Interest cover (times)	3.3	3.1	3.9
NCA / Total Debt times)	0.12	0.13	0.17
Gearing (times)	2.65	2.04	1.56
Total Debt / PBDIT (times)	3.61	3.04	2.71

Datamatics Global Services Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1+	Stable
Rating History				
29/Apr/2010	A**		A1+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Datamatics Global Services Limited (DGSL), DGSL's wholly owned subsidiaries, and the DGSL group's share in the joint venture companies Cybercom Datamatics Information Solutions Ltd (with Cybercom Group Europe AB) and Datamatics Yash Technologies Pvt Ltd (with Yash Technologies Pvt Ltd). Collectively, these entities are referred to as the DGSL group.

DGSL, incorporated in November 1987 by Dr. Lalit Kanodia, provides non-voice business process outsourcing (BPO) and software services in content management, accounts and finance, research and analytics, telecom embedded, product management, independent testing, and enterprise applications. Headquartered in Mumbai, DGSL has a presence in USA, UK, Germany, Australia, Mauritius and Switzerland through its subsidiaries.

Datamatics Limited (DL), engaged in providing software services got merged with DTL in 2008-09 to form DGSL. The primary reason behind the merger exercise was to gain operating synergies and to position the company as one-stop solution provider of information technology (IT) & BPO services.

Rating Strengths

- Comfortable financial risk profile
- Established presence, and long-standing experience of promoters in information technology and its enabled services (IT) industry

Rating Weakness

- Modest growth in business risk profile, coupled with geographic concentration in revenues

Outlook: Stable

CRISIL expects DGSL's business risk profile to remain stable over the medium term, backed by established presence in the non-voice BPO space, and strong customer relationships. The outlook may be revised to 'Positive' if DGSL's revenues and net cash accruals exceed expectations over the medium term. Conversely, the outlook may be revised to 'Negative' if the company announces significantly large acquisitions, and funds these by depleting its reserves, or by contracting large debt, and weakening its gearing and debt protection indicators in the bargain.

Key Rating Sensitivity Factors

- Significant reduction in quantum of liquid investments
- Large debt-funded acquisitions

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2701	3,001	1,444
OPBDIT	222	326	103
PAT	156	275	92
Tangible Networth	2161	2,108	1,774
Total Debt	306	301	-
OPBDIT Margins (%)	8.20	10.9	7.1
Net Profit Margins (%)	5.8	9.2	6.4
Interest cover (times)	9.79	13.52	44.56
NCA / Total Debt (times)	0.66	0.85	-
Gearing (times)	0.14	0.14	-
Total Debt / PBDIT (times)	0.97	0.70	-

DB Power Electronics Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
30/Nov/2010	A+**		A1+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Incorporated in 1973, DB Power Electronics Private Limited (DB) manufactures, sells, and distributes offline and line interactive uninterrupted power supply (UPS) systems, telecom invertors, and power conditioner accessories, and provides related maintenance and installation services. It is the oldest and a niche player in the Indian UPS systems segment. DB has three manufacturing plants with capacity to manufacture UPS systems of 1 kilovolt Ampere (KVA) to advanced UPS systems of 9600 KVA. The company has a share of around 8 per cent of the domestic market for UPS systems. It is majority owned by the UK-based European power protection solution provider Chloride Group Plc (Chloride Group) since July 2009. Since September 2010, DB has been owned by Emerson Electric Company (Emerson; rated 'A/Stable/A1' by Standard & Poor's) which has acquired Chloride Group.

Rating Strengths

- Strong financial risk profile
- Established brand in UPS systems and diversified revenue profile

Rating Weakness

- Working-capital-intensive operations

Outlook: Stable

CRISIL believes that DB will benefit over the medium term from its established brand and track record in the market for UPS systems, growth in its end-user segments, its strong relations with clients, and maintain it's above average financial risk profile with healthy capital structure. The outlook may be revised to 'Positive' if DB's net cash accruals increase significantly on the back of healthy revenue growth, or if the company successfully integrates its operations with that of its parent, Emerson, resulting in substantial improvement in its business risk profile. Conversely, the outlook may be revised to 'Negative' in case of deterioration in the company's profitability or revenue growth on account of its acquisition by Emerson. The outlook may also be revised to 'Negative' if DB undertakes a large, debt-funded capital expenditure (capex), leading to deterioration in its capital structure.

Key Rating Sensitivity Factors

- Size and funding mix of future capex
- Working capital management
- Support from Emerson

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1437	1583	1492
OPBDIT	208	296	317
PAT	129	174	178
Tangible Networth	744	625	477
Total Debt	30	54	102
OPBDIT Margins (%)	14.3	18.1	20.7
Net Profit Margins (%)	8.9	10.7	11.6
Interest cover (times)	39.54	34.73	17.44
NCA / Total Debt (times)	5.18	3.08	1.62
Gearing (times)	0.04	0.09	0.21
Total Debt / PBDIT (times)	0.13	0.18	0.32

D'Décor Exports (Formerly, Dicitex Décor Exports)

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
10/Feb/2011	A		A1	Stable
12/Jan/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of D'Décor Exports (DDE), D'Décor Home Fabrics Pvt Ltd (DDHFPL [formerly, Dicitex Décor Pvt Ltd]; rated 'CRISIL A/Stable/CRISIL A1') and Home Idea Upholstery Pvt Ltd (Home Idea, rated 'CRISIL A/Stable'), collectively referred to as the D'Décor group, herein.

The Dicitex group was set up by Mr. Dharam Chand Arora and his sons, Mr. M L Arora and Mr. V K Arora in the 1950s. Dicitex Décor group , headed by Mr V K Arora, and managed by his two sons, Mr Sanjay Arora and Mr Ajay Arora, emerged out of a family split in late 1990's. The group has a presence in the home furnishings segment, especially in curtains and upholstery. The group also manufactures ladies dress materials.

Dicitex Décor group's product range caters to different market segments and comprises plain suede, spray painted chenille fabric, chenille jacquards, flat jacquard suitable for bedspreads, multicoloured embroidered polysilk / taffeta and organza, and velvets. Upholstery and curtain materials contribute more than 80 per cent to the group's total revenue. Its exports contribute around 70 per cent to its total revenues.

Rating Strengths

- Established market position in home furnishings industry
- Strong operating efficiency
- Robust financial risk profile

Rating Weaknesses

- Exposure to intense competition in the highly fragmented textile industry
- Exposure to cyclicality in industry

Outlook: Stable

CRISIL believes that the D'Décor group will maintain its market position in the upholstery and furnishing market over the medium term, backed by its strong brand image and its vertically integrated operations. The outlook may be revised to 'Positive' if the group significantly improves its revenues and operating margin in a sustained manner, while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' if the D'Décor group undertakes a larger-than-expected, debt-funded capital expenditure (capex) programme, or reports significant decline in its operating margin because of increasing industry competition.

Key Rating Sensitivity Factors

- Extent of capex and capacity utilisation
- Funding for entry into domestic home furnishing retail segment
- Large withdrawals in the partnership concern

Financial Performance (Standalone)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3865	3608	3488
OPBDIT	669	860	850
PAT	129	94	274
Tangible Networth	1487	1335	910
Total Debt	1498	1661	1363
OPBDIT Margins (%)	15.5	21.1	21.6
Net Profit Margins (%)	3	2.3	6.9
Interest cover (times)	2.83	1.79	40.69
NCA / Total Debt (times)	0.24	0.19	0.46
Gearing (times)	1.01	1.24	1.5
Total Debt / PBDIT (times)	2.23	1.93	1.61

D'Décor Home Fabrics Private Limited (formerly, Dicitex Décor Private Limited)

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
10/Feb/2011	A		A1	Stable
12/Jan/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of D'Décor Home Fabrics Private Limited (DDHFPL), D'Décor Exports (DDE [formerly, Dicitex Décor Exports]; rated 'CRISIL A/Stable/CRISIL A1') and Home Idea Upholstery Pvt Ltd (Home Idea, rated 'CRISIL A/Stable'), collectively referred to as the D'Décor group, herein.

The D'Décor group was set up by Mr. V.K. Arora and his sons, Mr. Sanjay Arora and Mr. Ajay Arora, in the late 1990s. The group has a strong presence in the global home furnishings segment, especially in curtains, upholstery, and made ups. With four manufacturing units in Tarapur (Maharashtra), it is ranked among the top five manufacturers worldwide. The D'Décor group also manufactures ladies dress materials, mainly for sales in the domestic market and among Asian ethnic communities residing outside India. The group launched its D'Décor brand in 2010-11.

Rating Strengths

- Established market position in home furnishings industry
- Strong operating efficiency
- Robust financial risk profile

Rating Weaknesses

- Exposure to intense competition in the highly fragmented textile industry
- Exposure to cyclicality in industry

Outlook: Stable

CRISIL believes that the D'Décor group will maintain its market position in the upholstery and furnishing market over the medium term, backed by its strong brand image and its vertically integrated operations. The outlook may be revised to 'Positive' if the group significantly improves its revenues and operating margin in a sustained manner, while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' if the D'Décor group undertakes a larger-than-expected, debt-funded capex (capex) programme, or reports significant decline in its operating margin because of increasing industry competition.

Key Rating Sensitivity Factors

- Extent of capex and capacity utilisation
- Funding for entry into domestic home furnishing retail segment
- Large withdrawals in the partnership concern

Financial Performance (Standalone)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2286	2220	1899
OPBDIT	585	523	391
PAT	141	513	95
Tangible Networth	1162	1021	508
Total Debt	1365	1170	684
OPBDIT Margins (%)	23.4	21.1	19.1
Net Profit Margins (%)	5.6	20.7	4.6
Interest cover (times)	5.72	4.12	10.16
NCA / Total Debt (times)	0.30	0.31	0.46
Gearing (times)	1.17	1.15	1.35
Total Debt / PBDIT (times)	2.33	2.24	1.74

Delhi Transco Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Positive
Rating History				
29/Jul/2010	A+			Positive
18/Feb/2010	A+**			Stable

***Initial Bank loan rating assigned*

Company Background:

Set up in 2001, Delhi Transco Ltd (DTL) is wholly owned by Government of National Capital Territory of Delhi (GNCTD). As envisioned in the Delhi Electricity Reform (Transfer Scheme) Rules, 2001, the erstwhile Delhi Vidyut Board (DVB) was unbundled into one holding company, Delhi Power Company Ltd (DPCL); two generation companies, Indraprastha Power Generation Company Ltd (IPGCL) and Pragati Power Corporation Ltd (PPCL); a transmission company (DTL), and three discoms - South-West Delhi Electricity Distribution Company Ltd, Central-East Delhi Electricity Distribution Company Ltd, and North-Northwest Delhi Distribution Company Ltd. The three discoms were privatised and were renamed as BSES Rajdhani Power Ltd, BSES Yamuna Power Ltd, and North Delhi Power Ltd, respectively.

DTL was initially engaged in transmission and bulk power trading. Under the provisions of the Electricity Act 2003, DTL was also divested of its bulk supply business in April 2007; this business was transferred to the three discoms. All power purchase agreements (PPAs) entered into with DTL by the central power utilities, state generating companies, and private generators, were transferred to the three discoms. As a result of the transfer scheme, DTL is currently engaged in transmission and has been designated as the State Transmission Utility (STU) in the National Capital Territory of Delhi.

Rating Strengths

- Monopoly in intra-state power transmission business in Delhi
- Stable cash flows because of regulated nature of business
- Efficient operations

Rating Weaknesses

- Leveraged financial risk profile
- Large debt-funded capital expenditure (capex)

Outlook:Positive

CRISIL believes that DTL will maintain its dominant position in intra-state transmission of power in Delhi on the back of a favourable regulatory framework and high operational efficiency. The rating may be upgraded if there is a significant improvement in DTL's financial risk profile following realisation of arrears from discoms. Conversely, the outlook may be revised to 'Stable' if there is a significant delay in receipt of payments from discoms exerting pressure on the company's liquidity, or if there is a deterioration in the financial risk profile of DTL.

Key Rating Sensitivity Factors

- Timely payments by discoms
- Inadequate equity infusion, resulting in delay in improvement of financial risk profile

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3693	3734	2262
OPBDIT	2102	1720	1708
PAT	826	635	517
Tangible Networth	1681	855	326
Total Debt	10662	6275	5849
OPBDIT Margins (%)	55.7	44.7	71.8
Net Profit Margins (%)	21.9	16.5	21.7
Interest cover (times)	4.23	3.50	2.62
NCA / Total Debt (times)	0.13	0.17	0.16
Gearing (times)	6.34	7.34	17.93
Total Debt / PBDIT (times)	5.10	3.58	3.34

Dey's Medical Stores (Manufacturing) Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
31/Jul/2009	A-**			Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the financial and business risk profiles of Dey's Medical Stores (Manufacturing) Limited (DMSML) with Dey's Medical Stores Ltd (Dey's Medical). Dey's Medical holds around 98 per cent equity stake in DMSML.

DMSML was incorporated in 1956 by Mr. B N Dey in Kolkata. Currently, DMSML has two manufacturing units in Kolkata. The company manufactures various dosage forms of drugs: capsules, tablets, granules, oral liquids, drops, ointments in the field of antibiotics, vitamins, anti-diabetics, anti-tuberculars, analgesics, and anti-inflammatory drugs.

Rating Strengths

- Strong financial risk profile, marked by healthy capital structure and debt protection measures
- Strong brand equity, and experience of promoters

Rating Weaknesses

- Lack of research and development (R&D) capabilities for clinical research
- Large working capital requirements

Outlook: Stable

CRISIL believes that DMSML will maintain its stable financial risk profile on the back of healthy cash accruals and established brand presence. The outlook may be revised to 'Positive' if the company is able to diversify its product and revenue profile. Conversely, the outlook may be revised to 'Negative' in case DMSML's of significant deterioration in the operating profitability.

Key Rating Sensitivity Factors

- Adverse impact of any change in government policies
- Maintenance of operating margins
- Size and funding mix of future capital expenditure

Financial Performance (Consolidated)

Rupees Million	31-Mar-08	31-Mar-07	31-Mar-06
Net Sales	959	860	884
OPBDIT	58	54	64
PAT	28	25	28
Tangible Networth	399	379	361
Total Debt	102	111	98

OPBDIT Margins (%)	5.9	6.1	7.1
Net Profit Margins (%)	2.9	2.8	3.1
Interest cover (times)	5.41	5.55	6.33
NCA / Total Debt (times)	0.35	0.29	0.36
Gearing (times)	0.26	0.29	0.27
Total Debt / PBDIT (times)	1.37	1.72	1.34

DF Power Systems Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
19/May/2011	A-		A2+	Stable
2/Jul/2010	BBB+		A2	Stable
12/Aug/2009	BBB-**		A3**	Stable

***Initial Bank loan rating assigned*

Company Background:

Incorporated in 2007, DF Power Systems Private Ltd (DFPS) is a wholly-owned subsidiary of TD Power Systems Ltd (TDPS, rated 'CRISIL A+/Stable/CRISIL A1+'), and sets up boiler-turbine-generator (BTG) packages with capacities between 52 mega watt (MW) and 300 MW. The company undertakes contracts for designing, erecting, and commissioning BTG packages with or without balance-of-plant packages, in India and overseas. DFPS has an arrangement with Dongfang Turbine Company Limited (Dongfang), China, one of the leading suppliers of power plant equipment in the world, for procuring steam turbines. The company also has understanding with various Chinese manufacturers and suppliers for procuring equipment such as boilers, generators, refractories, and other auxiliaries.

TDPS, based in Bengaluru (Karnataka), manufactures steam, hydro, wind, gas, and diesel generators with capacities of 1 megawatt (MW) to 52 MW; it also provides steam power plant solutions. The company has acquired technology to manufacture generators of up to 30 MW from Toyo Denki (Japan) and has a licence to manufacture generators of up to 52 MW from Siemens AG (Germany). TDPS also undertakes engineering, procurement, and construction activities for setting up power plants with capacity of up to 52 MW.

Rating Strengths

- Strong support from parent, TDPS
- Strong financial risk profile
- Healthy order book, providing revenue visibility

Rating Weaknesses

- Limited presence in engineering, procurement and construction (EPC) work for high capacity power plants and susceptibility to intense industry competition
- Supplier and customer concentration

Outlook: Stable

CRISIL believes that DFPS will continue to benefit from its healthy order book and the strong support it derives from TDPS, over the medium term. The outlook may be revised to 'Positive' if DFPS scales up its operations further, backed by strong growth in its order book and cash accruals, while maintaining its conservative capital structure. Conversely, the outlook may be revised to 'Negative' if DFPS undertakes any significant debt-funded capital expenditure programme or in case of delays in project completion.

Key Rating Sensitivity Factors

- Revision in TDPS's ratings
- Relationship with key vendors
- Order book

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09
Net Sales	3352	274
OPBDIT	177	-6
PAT	105	2
Tangible Networth	151	7
Total Debt	-	-
OPBDIT Margins (%)	5.3	-2.0
Net Profit Margins (%)	3.1	0.6
Interest cover (times)	6.71	1.41
NCA / Total Debt times)	-	-
Gearing (times)	-	-
Total Debt / PBDIT (times)	-	-

Dia Man Exports Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
30/Mar/2011	A-			Stable
31/Jul /2009			A2+ **	

*** Initial Bank loan rating assigned*

Company Background

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Ratilal Becharlal & Sons, Uni Gems India Pvt Ltd (both in the diamond business); Elegant Collection, Jasani Jewellery, RB Jewellery Corporation, Jasani Jewellery II (all four in the diamond-studded jewellery business); Dia Man Exports Pvt Ltd (DMEPL, into both diamond as well as diamond studded jewellery business); and Supreme Gems Pvt Ltd, Ratilal Becharlal Diamonds Pvt Ltd, and Ornat Gems Pvt Ltd (support units for the other entities in the group). All these entities have been collectively referred to herein as the Jasani group.

The Jasani group, promoted by Mr. Ratilal Becharlal Jasani in 1966, with Ratilal Becharlal & Sons as the group's flagship firm, is closely held by Jasani family. The group is primarily engaged in exports of rough diamonds, polished diamonds, and diamond-studded gold jewellery, though it has domestic operations as well. The group focuses on the round and princess-cut diamonds and specialises in Triple Excellent, Hearts, and Arrows, along with proprietary cuts such as Love Mark and Movado. The group has been a Diamond Trading Company (DTC) sight holder since the past 36 years. It does not own jewellery brands; however, it has marketing rights for Asian and Gulf countries for brands such as Perfect Choice, You, Love Mark, Trestelle, and the Bride's Pendant, currently owned by The Stuckey Co, USA. The Jasani group sells its products in the US, Japan, Europe, the Far East, and India.DMEPL was set up in 1980 for kerfing of diamonds at the Domestic Tarriff Area at Goregaon, Mumbai. In 1990, the company started importing rough diamonds and exporting cut and polished diamonds. In 2002, the company established a jewellery manufacturing unit which currently caters to both the domestic and export markets.

Rating Strengths

- Healthy financial risk profile, marked by high net worth, low gearing, and moderate debt protection indicators
- Strong operational efficiencies, driven by assured supplies of rough diamonds from DTC and Alrosa Company Ltd, Russia (Alrosa) and efficient working capital management
- Comfortable business risk profile, with presence in segments such as polished diamonds and diamond-studded jewellery, and extensive experience of promoters

Rating Weaknesses

- Vulnerability of profitability to fluctuation in diamond prices and foreign exchange (forex) rates
- Exposure to risks related to revenue concentration in US and European markets

Outlook:Stable

CRISIL expects the Jasani group to maintain its healthy financial risk profile on the back of its efficient working capital management. CRISIL also expects the group to maintain its established market position and strong operating efficiencies. The outlook may be revised to 'Positive' if the group's revenue and profitability increase significantly, while it maintains a healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' if the group faces pressure on revenue and profitability, or significant deterioration in capital structure.

Key Rating Sensitivity Factors

- Revenue growth and operating profitability
- Continued efficiency in working capital management
- Continuity of diamond supplies from DTC and Alrosa
- Any significant deterioration in financial risk profile, including due to substantial withdrawal of capital by promoters

Financial Performance

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	10629	9,299	9,699
OPBDIT	675	(99)	478
PAT	469	(303)	199
Tangible Networth	2998	2707	3143
Total Debt	2217	760	1808
OPBDIT Margins (%)	6.2	(1.1)	4.9
Net Profit Margins (%)	4.3	(3.3)	2.0
Interest cover (times)	6.47	(0.71)	3.68
NCA / Total Debt (times)	0.15	(0.53)	(0.01)
Gearing (times)	0.74	0.28	0.58

Diamond Power Infrastructure Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
30/Aug/2010	A-		A2+	Stable
12/Oct/2009	BBB		A3+	Positive
5/Feb/2009	BBB		A3+	Negative
23/Jul/2008	BBB**		A3+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the financial risk profiles of Diamond Power Infrastructure Ltd (DPIL), its wholly owned subsidiary Diamond Power Transformers Ltd (DPTL), and its associate company Apex Electricals Ltd (AEL), together referred to as the Diamond Power group. DPIL, formerly Diamond Cables Ltd, is the flagship company of the Essen group. The company manufactures aluminium-conductor-steel reinforced transmission conductors, low- and high-tension power cables, and transformers. In 2006, it entered the EPC segment for turnkey projects on the back of its established presence in the power cables business. In 2007, DPIL acquired an equity stake in Western Transformers (now DPTL) and AEL, which are in the transformer business and are based in Gujarat. The company has recently enhanced its manufacturing capacity for cables and conductors, and is expected to commission its transmission tower and extra high voltage (EHV) cables manufacturing capacity by September 2010.

Rating Strengths

- Strong market position and diverse product profile in power transmission and distribution (T&D) equipment manufacturing industry
- Healthy operating efficiencies
- Above average financial risk profile

Rating Weaknesses

- Large working capital requirements
- Intense competition in most of its business segments

Outlook: Stable

CRISIL believes that the Diamond Power group will maintain its business and financial risk profiles over the medium term on the back of its integrated operations, strong order book, and healthy growth prospects for the transformer industry. The outlook may be revised to ‘Positive’ if the Diamond Power group optimally utilizes its enhanced capacity and sustains its revenue growth and profitability margins, while maintaining its financial risk profile. Conversely, the outlook may be revised to ‘Negative’ if the group’s working capital requirements increase significantly, if a delay in commencement of commercial production at the transmission tower facility leads to less-than-expected accruals, or if the company undertakes a debt-funded inorganic expansion that causes deterioration in its financial risk profile.

Key Rating Sensitivity Factors

- Capital expenditure/acquisition plans, and their funding mix
- Extent of support to associate and group companies
- Working capital management

Financial Performance (Consolidated)

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	8471	6934	4817
OPBDIT	1156	899	684
PAT	601	564	456
Tangible Networth	2881	2148	1328
Total Debt	3171	2348	1647
OPBDIT Margins (%)	13.6	13	14.2
Net Profit Margins (%)	7.1	8.1	9.5
Interest cover (times)	4.67	4.18	4.65
NCA / Total Debt (times)	0.22	0.27	0.3
Gearing (times)	1.10	1.09	1.24
Total Debt / PBDIT (times)	2.73	2.58	2.41

Diana Tea Company Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
27/Dec/2010	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Diana Tea Company Limited (Diana Tea), incorporated in 1911 and listed on BSE, is an integrated tea player, engaged in cultivation of tea plantations and manufacture of CTC (Crush Tear and Curled) tea. The company originally promoted by Nawab Ghulam Jabbar of Jalpaiguri, West Bengal, was acquired by Mr Radheshyam Singhania in year 1976. The company is presently being run by Singhania family, with Mr Sandeep Singhania (Son of Mr Radheshyam Singhania) at the helm, assisted by Ms. Sarita Singhania (Sister in law of Mr Sandeep Singhania).

Diana Tea's plantations are spread across four tea estates in West Bengal viz Diana Tea Estate, Baintgoorie Tea Estate, Ambari Tea Estate and Good hope Tea Estate with a total plantation area of ~ 2000 hectares. Out of these, Baintgoorie is the largest estate with area under cultivation of ~ 630 hectares. All the estates are located in Dooars region of West Bengal, which commands premium for its produce in the Indian tea market.

Rating Strengths

- Healthy financial risk profile
- Established market presence and experience of promoters in tea industry

Rating Weaknesses

- Susceptibility of profitability to fluctuations in tea prices
- Sensitivity to adverse weather conditions

Outlook: Stable

CRISIL believes that Diana Tea will continue to benefit from its promoters' experience in the tea business, over the medium term. The outlook may be revised to 'Positive' if Diana Tea is able to significantly scale up its operations while maintaining its capital structure. Conversely, large debt funded acquisition or capital expenditure (capex) or significant decline in revenue or margins could result in revision in the outlook to 'Negative'.

Key Rating Sensitivity Factors

- Capex plans, and their funding mix
- Global and domestic trends in tea realisations

Financial Performance

Rupees Million	31-Dec-09	31-Dec-08	31-Dec-07
Net Sales	534	503	407
OPBDIT	106	79	68
PAT	71	41	32
Tangible Networth	414	352	315
Total Debt	189	234	276
OPBDIT Margins (%)	19.8	15.6	16.5
Net Profit Margins (%)	13.2	8.1	7.7
Interest cover (times)	3.54	2.63	2.36
NCA / Total Debt (times)	0.38	0.2	0.13
Gearing (times)	0.46	0.67	0.88
Total Debt / PBDIT (times)	1.72	2.79	3.73

Dinshaw's Dairy Foods Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
24/Nov/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Dinshaw's Dairy Foods Ltd (DDFL) manufactures ice creams and dairy products such as pasteurised milk, curd, and butter. It markets its products under the brand, Dinshaw's and is the market leader in ice cream and packaged milk in Nagpur (Maharashtra). DDFL has around 150 ice cream parlours in India, of which 70 are in Nagpur alone. It recently set up a milk powder unit. DDPL has capacity to manufacture 200,000 litres per day (lpd) of dairy products, and 100,000 lpd of ice cream.

Rating Strengths

- Healthy financial risk profile
- Established market position in ice cream business, diversification into dairy business, and efficient distribution network

Rating Weaknesses

- Moderate size of operations, geographical concentration in revenue profile, and limited presence in value-added dairy products segment
- Exposure to adverse government regulations and epidemic-related factors

Outlook: Stable

CRISIL expects DDFL to maintain its market position in the ice cream and dairy business. The outlook may be revised to 'Positive' if the company scales up its operations substantially, while maintaining its healthy capital structure. Conversely, the outlook may be revised to 'Negative' if the company's profitability declines sharply, or if the company undertakes a larger-than-expected debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Timely completion and ramp-up of expansion
- Any cost overruns in expansion
- Increase in scale of operations
- Capex plans and their funding mix
- Maintaining operating profitability

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2099	1844	1494
OPBDIT	247	196	168
PAT	160	82	76
Tangible Networth	495	349	269
Total Debt	441	337	324
OPBDIT Margins (%)	11.27	10.6	11.3
Net Profit Margins (%)	7.6	4.4	5.1
Interest cover (times)	7.78	5.54	4.28
NCA / Total Debt (times)	0.45	0.36	0.36
Gearing (times)	0.89	0.96	1.20
Total Debt / PBDIT (times)	1.78	1.72	1.84

D-Link (India) Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
06/Jan/2012	A**			Stable

***Initial Bank loan rating assigned*

Company Background:

Incorporated in 2008, D-Link India Ltd (D-Link) is a step-down subsidiary of Taiwan based D-Link Corp, and is primarily engaged in the marketing and distribution of networking products (mostly imported) of D-Link Corp in India. D-Link's range of products in India includes network switches, wireless local area networks, routers, modems, network storage devices, and network cameras. In 2010, D-Link began marketing structured cabling products, which it procures from outside the group.

Set up in 1986, D-Link Corp is a multinational company that designs, markets, and manufactures networking equipment. D-Link Corp has a marketing presence in more than 100 countries and reported a profit after tax (PAT) of New Taiwanese Dollar (NTD) 1.2 billion (NTD) on net sales of NTD 33.85 billion for the year ended December 31, 2010.

Rating Strengths

- Strong operational support from parent D-Link Corp, and established distribution network
- Healthy financial risk profile

Rating Weakness

- Exposure to intense competition in networking industry and risks inherent in the business

Outlook: Stable

CRISIL believes that D-Link will register healthy revenue growth over the medium term, backed by D-Link Corp's increasing focus on growing its business in the Asia-Pacific region. CRISIL also believes that D-Link will maintain its healthy financial risk profile during this period. The outlook may be revised to 'Positive', if there is significant and sustained improvement in D-Link's revenues and profitability. Conversely, the outlook may be revised to 'Negative' if D-Link's profitability or capital structure deteriorates.

Key Rating Sensitivity Factors

- Continued support from parent, D-Link Corp
- Large losses on account of foreign exchange fluctuations
- Inability to revise prices and maintain margins
- Larger-than-expected dividend payouts

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09*
Net Sales	1274	1328	1325
OPBDIT	46	86	53
PAT	34	72	49
Tangible Networth	716	693	659
Total Debt	-	-	-

OPBDIT Margins (%)	3.6	6.4	3.9
Net Profit Margins (%)	2.7	5.4	3.6
Interest cover (times)	485	121	39
NCA / Total Debt times)	-	-	-
Gearing (times)	-	-	-
Total Debt / PBDIT (times)	-	-	-

*10 months

DLF Info City (Chandigarh) Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Negative
Rating History				
27/Dec/2011	A-			Negative
28/May/2009	A**			Stable

*** Initial Bank loan rating assigned*

Company Background

DLF Info City (Chandigarh) Limited (DLFICDC) was incorporated by the DLF group to construct the Chandigarh Information Technology Park project. The company has completed the construction work, and leased out the property. Effective March 31, 2010, DLFICDC's beneficial ownership has been transferred to DLF Ltd (DLF, rated 'CRISIL A/Negative/CRISIL A2+') from the promoters of DLF in their individual capacity.

The DLF group is promoted by Mr. K P Singh and family, and is one of the largest real estate developers in India. DLF is the flagship company of the group, with a strong track record across real estate segments.

Rating Strengths

- Strong financial and operational support from DLF
- Stable revenues from lease rentals, supported by healthy occupancy levels

Rating Weakness

- Weak debt protection metrics

Outlook:Negative

The negative outlook on DLFICDC is based on CRISIL's outlook on DLF. The rating may be further downgraded in case of deterioration in DLFICDC's debt protection metrics, because of lower-than-expected operating cash flows. A revision in the rating outlook/rating on DLF may also lead to a similar revision in the rating outlook/rating on DLFICDC.

Key Rating Sensitivity Factors

- Credit risk profile of the parent, DLF
- Continued financial and operational support from DLF
- Rentals and occupancy level

Financial Performance

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	414	356	286
OPBDIT	293	246	206
PAT	181	48	14
Tangible Networth	454	273	224
Total Debt	1,980	2,245	2,355

OPBDIT Margins (%)	69.7	67.8	70.4
Net Profit Margins (%)	4.3	13.3	4.7
Interest cover (times)	1.75	1.29	1.34
NCA / Total Debt times)	0.11	0.04	0.02
Gearing (times)	4.36	8.23	10.49
Total Debt / PBDIT (times)	4.44	5.57	10.11

DLF Info City Developers (Kolkata) Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Negative
Rating History				
27/Dec/2011	A-			Negative
28/May/2009	A**			Stable

***Initial Bank loan rating assigned*

Company Background:

DLF Info City Developers (Kolkata) Ltd (DLFICDK) was established by the DLF group to undertake the Kolkata Information Technology Park project. The company has completed the construction work and has leased out the property. Effective from March 31, 2010, the beneficial ownership in DLFICDK has been transferred to DLF Ltd (DLF, rated 'CRISIL A/Negative/CRISIL A2+) from the promoters of DLF in their individual capacities. The DLF group is promoted by Mr. K P Singh and family, and is one of the largest real estate developers in India. DLF is the flagship company of the group, with a strong track record across real estate segments.

Rating Strengths

- Strong financial and operational support from DLF
- Stable revenues from lease rentals, supported by healthy occupancy levels

Rating Weakness

- Weak debt protection metrics

Outlook: Negative

The negative outlook on DLFICDK is based on CRISIL's outlook on DLF. A revision in the rating outlook/ratings on DLF may also lead to a similar revision in the rating outlook/rating on DLFICDK. The rating may be further downgraded in case of deterioration in DLFICDK's debt protection metrics, because of lower-than-expected operating cash flows.

Key Rating Sensitivity Factors

- Continued financial and operational support from DLF
- Rentals and occupancy level

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1,100	1,044	911
OPBDIT	764	772	684
PAT	268	151	23
Tangible Networth	617	350	198
Total Debt	4,190	4,788	5,000
OPBDIT Margins (%)	69.3	73.6	74.8
Net Profit Margins (%)	24.3	14.4	2.5
Interest cover (times)	1.99	1.57	1.74
NCA / Total Debt (times)	0.1	0.09	0.02
Gearing (times)	6.79	13.69	25.2
Total Debt / PBDIT (times)	3.92	4.6	6.86

DLF Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A		A2+	Negative
Rating History				
27/Dec/2011	A		A2+	Negative
20/Jan/2010	A+		A1	Stable
6/Aug/2009	A+		A1	Negative; removed from Rating Watch with developing implications
30/Mar/2009	A+		A1	Placed on Rating watch with developing implications
28/Jan/2009	A+		A1	Negative
18/Nov/2008	AA-		A1+	Stable
12/Mar/2008	AA**		A1+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of DLF Ltd (DLF) and its subsidiaries, joint ventures, and associates. In March 2010, DLF completed integration of its promoter-owned entity, Caraf Builders and Constructions Pvt Ltd (Caraf; the holding company for DLF Assets Ltd [DAL]), with DLF Cyber City Developers Ltd. The integration was done to consolidate all rental businesses under one entity.

Established in 1963, DLF is one of the oldest real estate companies in India. The group's promoters have been in the business since 1946. The company has experience in developing real estate projects across business and customer segments. It also has strong brand equity, and is reputed for timely execution of projects and quality of delivery. The company has developed 49.3 million square feet (sq ft) of real estate, including India's largest privately developed township, DLF City, Gurgaon. DLF is expanding its presence across India, and has a large land reserve across 32 cities, with a developable area of over 432 million sq ft. The company plans to diversify into other businesses: hospitality, insurance, and asset management.

Rating Strengths

- Strong market position, with established track record across real estate segments
- Economies of scale, backed by large low-cost land bank in prime locations and large development area
- Healthy financial flexibility

Rating Weaknesses

- Weak debt protection metrics
- Exposure to inherent risks and cyclicality in Indian real estate industry

Outlook: Negative

CRISIL believes that DLF's operating cash flows will moderate because of the weak business environment, which along with high debt levels, is likely to further weaken DLF's debt protection metrics over the medium term. The ratings may be further downgraded in case of slower-than-expected movement in DLF's divestments of non-core assets and consequent delay in debt reduction, or if there is a sharp decline in the company's revenues and profitability, triggered by slackened saleability of its projects. Conversely, the outlook may be revised to 'Stable' in case of an increase in DLF's operating cash flows, or a significant improvement in its capital structure.

Key Rating Sensitivity Factors

- Deterioration in capital structure
- Prolonged slowdown in real estate sector
- Significant investments in businesses other than real estate

Financial Performance (Consolidated)

Rupees Billion	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	95	74	100
OPBDIT	38	36	57
PAT	16	17	45
Tangible Networth	263	292	218
Total Debt	231	222	170

OPBDIT Margins (%)	39.7	47.9	56.2
Net Profit Margins (%)	17.1	22.9	44.9
Interest cover (times)	2.61	3.55	10.94
NCA / Total Debt (times)	0.06	0.07	0.26
Gearing (times)	0.88	0.76	0.78
Total Debt / PBDIT (times)	NP	NP	NP

Dorf Ketal Speciality Catalysts India Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A1	Positive
Rating History				
3/Aug/2011	A-		A1	Positive
2/Feb/2011	A-**			Stable

***Initial Bank loan rating assigned*

Company Background

Dorf Ketal Speciality Catalysts India Private Limited (DKSC India) was incorporated in 2010, as part of Dork Ketal Catalyst (India) Private Ltd's (DKCIPL's, rated 'CRISIL A/Positive/CRISIL A1) strategy to consolidate the Dorf Ketal group's manufacturing activities related to specialty catalysts, organic titanates and zirconates, under one company. DKCIPL had acquired the organic titanates and zirconates businesses from Sanmar Speciality Chemicals Ltd (Sanmar) and DuPont Chemicals and Fluroproducts (DuPont), USA respectively in 2009. Furthermore, it acquired Johnson Mathey's Vertec brand of specialty catalysts in 2011. DKSC has invested around Rs.850 million for the construction of its 20,000 tpa manufacturing facility in the special economic zone (SEZ) in Mundra. The plant commenced commercial production in April 2011.

The Dorf Ketal group comprises DKCIPL and DKCIPL's wholly owned subsidiaries, DKSC India, Dorf Ketal Chemicals LLC, USA, and Dorf Ketal Speciality Catalyst LLC (DKSCLLC), USA in addition to Dorf Ketal Chemicals, Brazil, and Dorf Ketal BV, Netherland (80 per cent stake in each).

DKCIPL, incorporated in 1992, manufactures specialty chemicals, primarily process chemicals, speciality catalysts, and additives in a niche product segment of hydrocarbons used in refineries and petrochemical plants. Dorf Ketal Chemicals LLC, USA, Dorf Ketal Chemicals, Brazil, and Dorf Ketal BV, Netherland are engaged in marketing and supply of process chemicals, and providing technical support to the group's clients in the respective regions. DKSCLLC was incorporated in 2009, to acquire the specialty catalysts portfolio of Dupont. This company is engaged exclusively in marketing of the group's specialty catalysts in the US.

Rating Strengths

- Strong support from parent, DKCIPL
- Healthy business risk profile, marked by ready clientele, strong brands, and cost benefits

Rating Weaknesses

- Leveraged capital structure
- Exposure to risks relating to product concentration in revenue profile

Outlook: Positive

CRISIL believes that DKSC will generate adequate revenues and accruals during 2011-12, supported by ready offtake for specialty catalysts from the Dorf Ketal group. CRISIL also believes that DKSC will receive need-based financial support from its parent. The ratings may be upgraded, if DKSC maximises its capacity utilisation and stabilises operations at that level. Conversely, delays in stabilisation of DKSC's operations, resulting in lower-than-expected revenues or profitability, or a downward revision in the credit risk profile of the parent may drive a revision in the rating outlook on DKSC to 'Stable'.

Key Rating Sensitivity Factors

- Delays in stabilising operations, resulting in lower than expected revenues or profitability
- Deterioration in capital structure
- Change in credit risk profile of DKCIPL

Financial Performance (Not Published)

Dorf Ketal Chemicals (I) Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Positive
Rating History				
3/Aug/2011	A		A1	Positive
17/Mar/2010	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Dorf Ketal Chemicals (I) Private Limited (DKCIPL) and its wholly owned subsidiaries Dorf Ketal Chemicals LLC, USA, Dorf Ketal Speciality Catalyst India Pvt Ltd (DKSC India), and Dorf Ketal Speciality Catalyst LLC (DKSC), USA in addition to Dorf Ketal Chemicals, Brazil, and Dorf Ketal BV, Netherland (80 per cent stake in each). DKCIPL and these subsidiaries are collectively referred to as the Dorf Ketal group.

DKCIPL, incorporated in 1992, manufactures specialty chemicals, primarily process chemicals, speciality catalysts, and additives in a niche product segment of hydrocarbons used in refineries and petrochemical plants. DKCIPL acquired the US-based UOP Inc's (formerly Universal Oil Products') patents, and business of refinery chemicals and polyurethane additives, in 2001 and 2003 respectively. In 2007, DKCIPL acquired ExxonMobil Chemical's component additives business. In 2009, through DKSC, the Dorf Ketal group acquired the speciality catalyst businesses of Sanmar Speciality Chemicals Ltd and DuPont Chemicals and Fluroproducts, USA, while in 2011 it acquired the specialty catalysts brands of Johnson Mathey, UK.

DKCIPL has a wholly automated manufacturing unit for process chemicals in Taloja (Maharashtra), which is supported by a modern and sophisticated R&D facility. The company also has a dedicated facility for specialty catalysts in Dadra, which it acquired from Sanmar Specialty Chemicals Ltd. DKCIPL has ISO 9001, ISO 14001, and OSHAS 18001, certifications for its manufacturing units. Dorf Ketal Chemicals LLC, USA, Dorf Ketal Chemicals, Brazil, and Dorf Ketal BV, Netherland are engaged in marketing and supply of process chemicals, and providing technical support to the group's clients in the respective regions. DKSC India has been set up to consolidate the manufacturing of specialty catalysts for the group, at Mundra (Gujarat). The company commenced commercial production in April 2011.

Rating Strengths

- Robust market position in process and specialty chemical segments
- Strong competitive position driven by sound research and development (R&D) capabilities, and customised products/services
- Healthy financial risk profile

Rating Weaknesses

- Exposure to risks relating to segmental and customer concentration in revenue
- Working-capital-intensive operations

Outlook: Positive

CRISIL believes that the Dorf Ketal group will generate steady cash accruals over the medium term, supported by its healthy market position in the process chemicals segment and growing business in specialty catalysts. The ratings may be upgraded if there is a significant improvement in the capital structure of the group. Conversely the outlook may be revised to 'Stable' in case the group undertakes a larger-than-expected debt-funded capital expenditure programme or acquisition, or if there is significant deterioration in its debt protection metrics.

Key Rating Sensitivity Factors

- Significant changes in gearing and debt protection metrics
- Size and extent of debt funding of related and unrelated diversification plans

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	7484	5308	3339
OPBDIT	1369	973	422
PAT	759	530	197
Tangible Networth	2810	2059	691
Total Debt	3133	1676	998

OPBDIT Margins (%)	18.3	18.3	12.6
Net Profit Margins (%)	10.1	10.0	5.9
Interest cover (times)	8.51	6.06	3.57
NCA / Total Debt (times)	0.30	0.34	0.20
Gearing (times)	1.11	0.81	1.45
Total Debt / PBDIT (times)	2.29	1.72	2.31

Doshion Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Negative
Rating History				
9/Dec/2011	A-		A2+	Negative
15/Apr/2010	A**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Doshian Ltd (DL) and its subsidiaries (together referred to as the Doshion group).

The Ahmedabad-based water-management company, DL, was incorporated in 1978 by its chairman Mr. Dhirajlal Doshi, as Doshi Ion Exchange and Chemicals Ltd; it got its present name in 2005. It began operations as a manufacturer of ion exchange resins, and gradually moved up the value chain to become an integrated water-management company. In 2007, IDFC Private Equity Fund-II, a fund managed by IDFC Private Equity, acquired 17.2 per cent stake in DL for Rs.350 million. DL, along with its other group companies, offers a range of water-management services, including build-own-operate transfer (BOOT) projects, for industries and municipalities; these services include engineering, procurement and construction (EPC) contracts for water transportation projects and water treatment plants, operation and maintenance (O&M) contracts, supply of chemicals and resins used in water treatment, and design and manufacture of GRP pipes used in water-transportation projects.

Rating Strengths

- Strong market position on account of integrated operations in water-management and water-transportation industry
- Operational linkages with Veolia Water Solutions & Technologies (VWST), France, a leading global player in EPC business

Rating Weaknesses

- Exposure to intense competition in water-treatment and water-transportation market
- Average financial risk profile
- Susceptibility to cyclicality in business

Outlook: Negative

CRISIL believes that the Doshion group will continue to have large working capital requirements over the medium term, thus keeping its capital structure leveraged. The high debt level is likely to keep the group's debt protection metrics modest. The rating may be downgraded in case the ramp-up in the group's revenues is not in line with CRISIL's estimate or if there is further deterioration in the group's capital structure. Conversely, the outlook may be revised to 'Stable' in case of significant and sustained improvement in the Doshion group's working capital cycle, resulting in an improved capital structure.

Key Rating Sensitivity Factors

- Acquisition and capital expenditure plans, and their funding mix
- Timely completion of EPC contracts
- Revenue accretions from, and future investments in BOOT projects
- Ability to improve working capital cycle

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2912	3575	2954
OPBDIT	430	375	323
PAT	101	130	69
Tangible Networth	1717	1448	1321
Total Debt	2408	1715	1020
OPBDIT Margins (%)	14.2	10.4	10.8
Net Profit Margins (%)	3.4	3.6	2.3
Interest cover (times)	1.84	2.30	1.55
NCA / Total Debt (times)	0.07	0.10	0.09
Gearing (times)	1.40	1.18	0.77
Total Debt / PBDIT (times)	5.07	4.36	2.94

Doshion Veolia Water Solutions Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Negative
Rating History				
9/Dec/2011	A-		A2+	Negative
15/Apr/2010	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Doshion Veolia Water Solutions Private Limited (DVWS), Doshion Ltd (DL; rated 'CRISIL A-/Negative/CRISIL A2+') and its subsidiaries (together referred to as the Doshion group).

Set up in February 2008, DVWS is a 70:30 joint venture (JV) between DL and VWST, a wholly owned subsidiary of Veolia Water (the water division of Veolia Environment SA, rated 'BBB+/Stable/A-2' by Standard & Poor's). DVWS undertakes engineering, procurement and construction (EPC) contracts for water- and waste-water-treatment plants. It also manufactures pharmaceutical polymers, and resins and chemicals used for water treatment.

Rating Strengths

- Strong market position on account of integrated operations in water-management and water-transportation industry
- Operational linkages with Veolia Water Solutions & Technologies (VWST), France, a leading global player in EPC business

Rating Weaknesses

- Exposure to intense competition in water-treatment and water-transportation market
- Average financial risk profile
- Susceptibility to cyclicality in business

Outlook: Negative

CRISIL believes that the Doshion group will continue to have large working capital requirements over the medium term, thus keeping its capital structure leveraged. The high debt level is likely to keep the group's debt protection metrics modest. The rating may be downgraded in case the ramp-up in the group's revenues is not in line with CRISIL's estimate or if there is further deterioration in the group's capital structure. Conversely, the outlook may be revised to 'Stable' in case of significant and sustained improvement in the Doshion group's working capital cycle, resulting in an improved capital structure.

Key Rating Sensitivity Factors

- Acquisition and capital expenditure plans, and their funding mix
- Timely completion of EPC contracts
- Revenue accretions from, and future investments in, build, own, operate, and transfer (BOOT) projects
- Ability to improve working capital cycle

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2912	3575	2954
OPBDIT	430	375	323
PAT	101	130	69
Tangible Networth	1717	1448	1321
Total Debt	2408	1715	1020
OPBDIT Margins (%)	14.2	10.4	10.8
Net Profit Margins (%)	3.4	3.6	2.3
Interest cover (times)	1.84	2.30	1.55
NCA / Total Debt (times)	0.07	0.10	0.09
Gearing (times)	1.40	1.18	0.77
Total Debt / PBDIT (times)	5.07	4.36	2.94

Driplex Water Engineering Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
16/Sep/2010	A-		A2+	Stable
11/Mar/2008	A-**		A2**	Stable

***Initial Bank loan rating assigned*

Company Background:

Driplex Water Engineering Limited (Driplex), set up in 1974 by Mr. K Lall, provides turnkey solutions in water and wastewater management. It provides a range of process plants (including raw water treatment plants, reverse osmosis and ultra-filtration plants, effluent treatment plants, and full-cycle water treatment solutions), mainly for power utilities, refineries, fertiliser plants, large industrial sectors, and public health departments. The company has supplied more than 110 turnkey water treatment plants till date. Driplex caters mainly to the industrial segment; however, it selectively executes large projects for municipal bodies as well. The company has three manufacturing units in Greater Noida, primarily for fabrication works.

Rating Strengths

- Established presence in water engineering segment
- Healthy financial risk profile

Rating Weaknesses

- Large working capital requirements
- High client concentration
- Exposure to cyclicality in engineering industry

Outlook: Stable

CRISIL believes that Driplex will benefit from its buoyant order book, improving cash accruals and comfortable gearing over the medium term. The outlook may be revised to ‘Positive’ if Driplex diversifies its product profile and client base, maintains its profitability, and manages its working capital requirements prudently. Conversely, the outlook may be revised to ‘Negative’ if Driplex faces time and cost overruns on its projects, significantly underestimates its working capital requirements, or overdraws on its bank limits for prolonged periods.

Key Rating Sensitivity Factors

- Management of growth and receivables
- Timeliness in completion of projects
- Prolonged periods of overdrawn bank limits

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2378	1839	1545
OPBDIT	270	215	185
PAT	146	115	108
Tangible Networth	575	456	368
Total Debt	765	516	355
OPBDIT Margins (%)	11.3	11.6	12.0
Net Profit Margins (%)	6.1	6.2	7.0
Interest cover (times)	4.39	4.75	5.68
NCA / Total Debt (times)	0.17	0.19	0.25
Gearing (times)	1.33	1.13	0.97
Total Debt / PBDIT (times)	2.41	2.10	1.70

Durovalves India Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
26/Jul/2011	A		A1	Stable
20/Jan/2011	BBB+		A2	Stable
19/May/2010	BBB-		A3	Stable
10/Dec/2008	BBB-**		A3**	Negative

***Initial Bank loan rating assigned*

Company Background

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Varroc Engineering Pvt Ltd (VEPL), Durovalves India Pvt Ltd (Durovalves), Varroc Polymers Pvt Ltd (VPPL), Varroc Exhaust Systems Pvt Ltd (VESPL), Varroc Elastomers Pvt Ltd (VELPL) and Esex Forging, Italy; collectively referred as the Varroc group, herein. This is because all these companies are in the same line of business and are owned by the same promoter. The financial risk profile of VEPL's overseas subsidiary Varroc European Holding BV, Netherlands (VEHBV), and its step-down subsidiary, IMES Italy, collectively referred to as IMES group, have not been combined with the Varroc group.

The Varroc group commenced operations in 1990 with the manufacture of plastic-injection-moulded components for supply to Bajaj Auto Ltd (Bajaj Auto, rated 'CRISIL AAA/FAAA/Stable/CRISIL A1+) in Aurangabad (Maharashtra). The group has since diversified its product portfolio; it now offers a variety of electrical, polymer-based engineering assemblies and sub-assemblies. The group comprises five companies operating in India, organised under two divisions - VEPL and its subsidiaries, VESPL, and Durovalves, which are in the electrical and metallic components business; and VPPL and its subsidiary, VELPL, which manufacture polymer-based components. The group operates 19 plants in six locations across India.

In 2006-07, the group set up VEHBV, a special purpose vehicle, which acquired a majority stake in the IMES group, which had two plants in Europe, one each in Italy and Poland. The IMES group closed its plant in Poland in 2009-10 and is in advanced stage of negotiations with buyers to sell off the land. The Varroc group has made a provision for the diminution of the investments of Rs.1.3 billion made in IMES group in 2009-10. VEPL set up Esex Forging, Italy in April 2011, to acquire the assets and business from an existing company for Rs.200 million. The Varroc group is promoted by the Jain family and is currently managed by Mr. Tarang Jain, who is the nephew of Mr. Rahul Bajaj, the chairman of Bajaj Auto.

Rating Strengths

- Established track record in auto components business and diversified product portfolio
- Healthy financial risk profile

Rating Weakness

- High customer concentration in revenue profile

Outlook: Stable

CRISIL believes that the Varroc group will maintain its market position in the auto component business over the medium term on the back of its diversified product portfolio, and its established relationship with Bajaj Auto. The outlook may be revised to 'Positive' if the group diversifies its customer profile or there is an improvement in group's operating margin, while maintaining its revenue growth. Conversely, the outlook may be revised to 'Negative' if the Varroc group provides additional funding support to the IMES group, or if in case of a substantial decline in the operating margin or there is a deterioration in its financial risk profile in case of large debt-funded capital expenditure (capex) or acquisition.

Key Rating Sensitivity Factors

- Extent of funding support to IMES group
- Extent and funding mix of future capex
- Working capital management
- Maintenance of operating margin amid volatile raw material prices

Financial Performance (Not Published)

Eagle Fuel Pvt. Ltd.

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
27/Aug/2008	A**		A1**	Stable

*Initial Bank loan rating assigned

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Agarwal Coal Corporation Private Limited (ACCPL) and its associate companies, Eagle Fuel Pvt Ltd (EFPL), Agarwal Coal Corporation (S) Pte Ltd (ACCSPL), and Agarwal Transport Corporation Pvt Ltd (ATCPL), collectively referred to as the Agarwal group.

ACCPL is the flagship company of the V K Agarwal group of Indore. Promoted by Mr. Puroshottam Agarwal (elder brother of Mr. V K Agarwal) in 1966 as a proprietorship firm for trading of coal, ACCPL was converted into a private limited company in 2000. Imported thermal coal sales account for approximately 75 per cent of its revenues. Its group company ACCSPL is also engaged in the imported coal trading business. ACCPL and EFPL together hold a 74 per cent stake in ACCSPL. Its other group company ATCPL provides stevedoring and inland transportation services exclusively to customers of the group companies.

Incorporated as Eagle Construction Pvt Ltd in 1981, EFPL did not have any business until 2004-05, and got its present name in 2006-07. EFPL is mainly engaged in domestic thermal coal trading

Rating Strengths

- Comfortable financial risk profile, marked by healthy net worth and capital structure
- Established position in imported thermal coal trading business

Rating Weaknesses

- Risks relating to fluctuations in foreign exchange (forex) rates and volatility in shipping freight rates
- Vulnerability of margins to concentrated revenue profile, supplier concentration, and unfavourable movements in international thermal coal prices

Outlook: Stable

CRISIL expects the Agarwal group to maintain its comfortable financial risk profile on the back of its established market position and the absence of any major debt-funded capital expenditure (capex) plans. The outlook may be revised to 'Positive' if the group further expands its operations and provides value-added services, thus resulting in higher–than-expected profitability, while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' if the Agarwal group undertakes any large, debt-funded capex programme, or if its profitability comes under severe pressure.

Key Rating Sensitivity Factors

- Any sharp fluctuation in foreign exchange rates
- Adverse changes in international dry bulk freight rates
- Fluctuations in prices of imported coal, and its viability vis-à-vis domestic coal

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	21200	15575	12997
OPBDIT	856	529	994
PAT	675	408	756
Tangible Networth	2390	1724	1190
Total Debt	4852	5096	1966

OPBDIT Margins (%)	4.0	3.4	7.6
Net Profit Margins (%)	3.1	2.6	5.8
Interest cover (times)	5.3	3.23	9.33
NCA / Total Debt (times)	0.14	0.08	0.39
Gearing (times)	2.03	2.96	1.65
Total Debt / PBDIT (times)	4.13	5.93	1.70

Eastern Condiments Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
31/May/2011	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background

Based in Adimaly (Kerala), Eastern Condiments Pvt Ltd (ECPL) manufactures and sells spices, blended spice powders, pickles, beverages, and rice-based products under the Eastern brand. Incorporated in 1989 by Mr. M E Meeran, ECPL is the flagship company of the Rs.5000-million Eastern group, which has diverse interests, including rubber re-treading and readymade garments. ECPL has six facilities for manufacturing unblended spices and masala powders in Kerala, Tamil Nadu, Andhra Pradesh, and Uttar Pradesh. ECPL derives nearly 80 per cent of its revenues from the domestic market, and is one of the leading exporters of branded spices in India, primarily exporting to the Middle East. Around 60 per cent of its revenues from the domestic market are from Kerala, where it commands the largest market share in the organised spice segment. ECPL derives nearly 50 per cent of its revenues from the sale of straight powders (SP, unblended spices), about 35 per cent from the sale of masala powders (MP, blended spices), and the remaining 15 per cent from other products.

McCormick & Co (rated 'A-/Stable/A-2' by Standard & Poor's), a leading food company in the US, acquired a stake of about 26 per cent in ECPL in 2010-11. ECPL holds a 100 per cent stake in Kerala-based Bams Condiments Impex Pvt Ltd, 75 per cent in Bangalore-based Eastern Food Specialty Formulations Pvt Ltd and a 50 per cent stake in Eastern Condiments Middle East FZC.

Rating Strengths

- Established market position in organised spice and masala market, coupled with healthy operating efficiency
- Strong financial risk profile

Rating Weaknesses

- Pricing pressures due to volatility in raw material prices, coupled with moderately-intensive working capital requirements
- Highly competitive spice and masala industry

Outlook: Stable

CRISIL believes that ECPL will maintain its healthy market position in the spices and masala segment, backed by its established Eastern brand. The outlook may be revised to 'Positive' if ECPL enhances its market share and scales up operations significantly, and if its profitability improves on a sustainable basis, leading to better-than-expected accruals. Conversely, the outlook may be revised to 'Negative' if ECPL's operating margin declines significantly because of volatile raw material prices, or if the company undertakes any significant debt-funded capital expenditure (capex) programme, weakening its capital structure and cash flows.

Key Rating Sensitivity Factors

- Extent and funding of future capex
- Extent of support to group companies, if any
- Efficient working capital management
- Volatility in input prices

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	3759	3203	2751
OPBDIT	500	646	390
PAT	238	319	121
Tangible Networth	1287	716	449
Total Debt	727	945	1046

OPBDIT Margins (%)	13.1	19.8	13.8
Net Profit Margins (%)	6.2	9.8	4.3
Interest cover (times)	16.14	8.34	2.83
NCA / Total Debt times)	0.44	0.37	0.14
Gearing (times)	0.56	1.32	2.33
Total Debt / PBDIT (times)	1.41	1.52	2.64

Eastern Power Distribution Company of Andhra Pradesh

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Negative
Rating History				
2/Dec/2011	A-		A2+	Negative
26/Feb/2009	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Eastern Power Distribution Company of Andhra Pradesh (Eastern Discom) is wholly owned by the government of Andhra Pradesh (GoAP). As envisioned in the Andhra Pradesh Electricity Reform Act, 1998, the Andhra Pradesh State Electricity Board was unbundled into two separate companies, Andhra Pradesh Power Generation Corporation Ltd (AP Genco, rated 'CRISIL A (so)/Stable') and Transmission Corporation of Andhra Pradesh Ltd (AP Transco, rated 'CRISIL A/Stable/CRISIL A(so)/Stable'). The power utilities commenced business operations as commercial entities in 1999. Under the provisions of the Electricity Act 2003, AP Transco was divested of its bulk supply business in June 2005; the business was transferred to four distribution companies (discoms), Eastern Discom being one of them. All power purchase agreements entered into with AP Transco by the central power utilities, AP Genco, and private generators, were transferred to these four discoms.

Eastern Discom distributes and supplies power in the operation circles of Srikakulam, Visakhapatnam, Vizianagaram, East and West Godavari districts, and 17 divisions of Coastal AP. The company's service area covers 42,100 square kilometers, with a population of over 17.3 million and a customer base of approximately 4.7 million.

Rating Strengths

- Monopoly in power distribution business
- Adequate operating performance

Rating Weakness

- Modest financial risk profile due to accumulation of regulatory receivables

Outlook: Negative

CRISIL believes that Eastern Discom's financial risk profile will remain constrained over the medium term because of its sizeable debt-funded regulatory receivables. Although the GoAP is likely to release about Rs.40 billion of the collective arrears to discoms in AP in the short term, there is limited visibility regarding the recovery of the balance arrears. Debt levels will therefore remain high over the medium term despite some moderation. The ratings may be downgraded if there are further significant delays in reduction of Eastern Discom's regulatory receivables or subsidy arrears, or significant additional support extended by it to other discoms, or in case of any change in stance of support from GoAP. Conversely, the outlook may be revised to 'Stable' if Eastern Discom's balance arrears/receivables are cleared sooner than expected, resulting in significant improvement in its financial risk profile.

Key Rating Sensitivity Factors

- Timing of receipt of subsidy arrears from GoAP and recovery of fuel surcharge allowances
- Changes in operational parameters, including collection performance and distribution losses
- Additional debt-funded capital expenditure
- Regulatory changes

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	32860	28486	26285
OPBDIT	2954	2685	2304
PAT	128	183	136
Tangible Networth	10181	9245	8950
Total Debt	31879	20122	17156
OPBDIT Margins (%)	6.7	6.9	6.6
Net Profit Margins (%)	0.3	0.5	0.4
Interest cover (times)	1.67	1.77	2.03
NCA / Total Debt (times)	0.04	0.06	0.07
Gearing (times)	3.13	2.18	1.92
Total Debt / PBDIT (times)	10.24	6.61	6.83

Easy Fit Jewellery Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
23/Nov/2011	A**	-	A1**	Stable

*** Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Easy Fit Jewellery Private Limited (Easy Fit) and Gokul Jewellery House Pvt Ltd (Gokul), and their parent, Shree Ganesh Jewellery House Ltd (SGJHL). The entities are collectively referred to as the SGJHL group.

SGJHL, incorporated in August 2002, belongs to the SGJHL group of Kolkata, promoted by Mr. Nilesh Parekh and Mr. Umesh Parekh. The company is engaged in trading in, and manufacturing and exporting handcrafted/machine-made plain and studded gold jewellery and diamond jewellery. It has in business over the past four decades. The company markets its jewellery products under the brand GAJA in the domestic market. It is one of the largest exporters of the handcrafted gold jewellery from India, primarily to the UAE, Hong Kong and Singapore. The company's manufacturing facilities are located in Manikanchan (special economic zone [SEZ]), West Bengal. SGJHL is expanding its facilities in Domjur and Mondalpara (SEZ), West Bengal; operations are expected to start in 2011-12.

Easy Fit is a 100 per cent subsidiary of SGJHL and is engaged in manufacturing and exporting handcrafted/machine-made plain and studded diamond jewellery. The company's manufacturing facilities are located in Manikanchan (SEZ).

Gokul is a 51 per cent subsidiary of SGJHL and is engaged in manufacturing and exporting handcrafted/machine-made, plain and studded, gold jewellery. The company does not have its own manufacturing unit and outsources from local artisans.

Rating Strengths

- Promoters' extensive experience in jewellery business; established market position in handcrafted jewellery segment
- Strong operating efficiencies and favourably located manufacturing units
- Healthy financial risk profile

Rating Weaknesses

- High customer and geographic concentration in revenue profile
- Exposure to intense competition in domestic retail jewellery industry

Outlook: Stable

CRISIL believes that the SGJHL group will continue to benefit over the medium term from its established position in the handcrafted jewellery business in the international market, promoters' industry experience, and its established brand image in the domestic retail jewellery market. The outlook may be revised to 'Positive' in case the group increases diversification of its customer profile, or reports more-than-expected cash accruals, leading to improvement in its financial risk profile. Conversely, the outlook may be revised to 'Negative' if the SGJHL group reports lower-than-expected operating margin, undertakes larger-than-expected debt-funded capital expenditure programmes, or faces significant stretch in receivables position over the medium term, leading to deterioration in its financial risk profile.

Key Rating Sensitivity Factors

- Extent of support to group companies other than those in SGHL group
- Working capital management
- Relationships with its customers or customer diversifications

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	58377	34732	28589
OPBDIT	3598	2294	1378
PAT	2946	1496	1335
Tangible Networth	11403	5729	4365
Total Debt	16091	12812	9995

OPBDIT Margins (%)	6.2	6.6	4.8
Net Profit Margins (%)	5.0	4.3	4.7
Interest cover (times)	3.23	2.20	3.00
NCA / Total Debt (times)	0.16	0.11	0.13
Gearing (times)	1.41	2.24	2.29
Total Debt / PBDIT (times)	3.87	4.99	5.46

Easyaccess Financial Services Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Negative
Rating History				
28/Dec/2011	A+		A1+	Negative
13/Sep/2010	A+		A1+	Stable
3/Apr/2009	A		A1	Stable
29/Feb/2008			A1+**	

*** Initial rating assigned*

Company Background:

Easyaccess Financial Services Limited (Easyaccess) is a non-deposit-taking, non-banking financial company, registered as a loan company with the Reserve Bank of India. It was set up in May 2005, but was inactive until Redington (India) Ltd (Redington, rated 'CRISIL AA-/Negative/CRISIL A1+') wholly acquired it in January 2008. Redington is the second-largest distributor of information technology (IT) products in India. Easyaccess factors receivables for Redington, reducing Redington's receivable levels and thereby improving its financial risk profile. Easyaccess also leverages Redington's strong relationships with channel partners by extending credit to them.

Rating Strengths

- Strong expectation of support, and benefits derived from parent, Redington
- Healthy asset quality
- Adequate capitalisation levels

Rating Weakness

- Concentration of revenues in IT products supply chain

Outlook: Negative

CRISIL believes that Easyaccess will continue to benefit over the medium term from the support of its parent, Redington. The rating outlook on Easyaccess's bank facilities and debt programme reflects CRISIL's rating outlook on Redington's bank facilities and debt programmes. The ratings may be downgraded if Redington diminishes the support it extends to Easyaccess, Redington's credit risk profile deteriorates, or if Easyaccess is unable to maintain its capital adequacy ratio and asset quality at healthy levels. Conversely, the outlook may be revised to 'Stable' if there is a similar revision in CRISIL's rating outlook on Redington.

Key Rating Sensitivity Factors

- Extent of ownership and support from Redington
- Redington's credit risk profile
- Improvement in scale of operations and earnings profile
- Ability to maintain healthy asset quality across all business segments
- Higher-than-expected gearing

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Total Income	522	346	278
PAT	190	129	70
Networth	2524	2378	904
Assets deployed	7003	5885	3442

Total Income / Average Total Assets (%)	8.1	7.4	9.1
Expenses / Average Total Assets (%)	0.7	0.8	1.0
Reported PAT / Average Total Assets (%)	3.0	2.8	2.3
Reporth PAT / Average Networth (%)	7.8	7.9	8.1
Gearing (times)	1.6	1.4	2.7

Echjay Industries Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Stable
Rating History				
30/Dec/2011	A+	-	-	Stable

*** Initial Bank loan rating assigned*

Company Background:

Incorporated in 1960, Echjay Industries Pvt Ltd (EIPL) is a closely held company, owned by the Doshi family. Mr. V H Doshi is the chairmen and managing director, while his two sons, Mr. Deven Doshi and Mr. Paras Doshi are the whole time directors, currently managing the business.

EIPL provides various kinds of forging solutions to auto, railway, oil & gas and other industries, with its various kinds of forge products, like forged steel flanges, seamless rings, steel discs, railway tyres, wheel disc, axles, gears, bars, and shafts. The manufacturing facilities are located at Rajkot (Gujarat) with total capacity of about 40000 tonnes per annum (tpa) for forging and 14,000 tpa of flanges. It also ventured into manufacturing of sponge iron in 2006 with installed capacity of 36,500 tpa. The sponge iron unit was incurring operational losses for past two years and hence operations were discontinued in 2011-12.

Rating Strengths

- Strong financial risk profile with almost debt free balance sheet and strong debt protection measures
- Diversified product profile leading to established customer profile and healthy operating efficiency
- Comfortable liquidity profile backed by large investment portfolio

Rating Weaknesses

- Susceptibility of operating margin to raw material price volatility
- Dependence on cyclical commercial vehicle (CV) segment, and customer concentration risk

Outlook:Stable

CRISIL believes that EIPL will maintain its market position in the forging industry over the medium term, supported by its diversified product base and its established clientele. It is also expected to maintain its financial risk profile because of no capital expenditure plans and funding of working capital through internal accruals. The outlook may be revised to 'Positive' if the company scales up its operations significantly while it diversifies its customer profile and maintains its current financial risk profile. Conversely, the outlook may be revised to 'Negative' if EIPL's business risk profile deteriorates because of a decline in order flow and operating margins, or its financial risk profile deteriorates because of any significant debt-funded capital expenditure (capex) or any change in investment policies.

Key Rating Sensitivity Factors

- Capex and its funding pattern
- Sustenance of operating margin
- Working capital management
- Investment in equity and mutual funds, and its performance

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	3,456	2,407	2,494
OPBDIT	938	712	677
PAT	751	465	369
Tangible Networth	5,237	4,491	4,031
Total Debt	181	153	118
OPBDIT Margins (%)	23.5	25.8	22.9
Net Profit Margins (%)	18.9	16.9	12.5
Interest cover (times)	63.30	53.58	18.83
NCA / Total Debt (times)	5.51	4.36	4.50
Gearing (times)	0.03	0.03	0.03
Total Debt / PBDIT (times)	0.15	0.18	0.16

EEL India Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Positive
Rating History				
11/Nov/2009	A-		A2+	Positive
26/Feb/2009	A-**		A2+**	Negative

***Initial Bank loan rating assigned*

Company Background:

EEL India Ltd (EEL), promoted by Mr. R C Kapoor and his family in 1988, manufactures material handling equipment, including bag-packing systems, silo-feeding and extraction systems, belt- and chain-type bucket elevators, and bulk loading systems. It has two manufacturing facilities in Haryana, one each in Gurgaon and Bawal. The company was acquired by FLSmidth, a 120-year old Denmark-based organisation; through its Indian subsidiary, FLSmidth Automation India Ltd. FLSmidth is listed on the Denmark Stock Exchange and is a leading equipment manufacturing player for the cement and minerals industries, with a 36 per cent market share in the global cement industry in 2010.

Rating Strengths

- Healthy financial risk profile
- Established market position in material handling equipment for cement industry
- Benefits from technical and marketing collaboration with FLSmidth Ventomatic (Italy-based subsidiary of FLSmidth)

Rating Weakness

- High revenue dependency on cement sector

Outlook: Positive

CRISIL believes that EEL's credit risk profile will improve over the medium term because of the benefits accruing from the acquisition by FLSmidth. EEL's business risk profile is expected to improve over the medium term on the back of its healthy order book and the ongoing technological revamp and rebranding of products by associating with FLSmidth Ventomatic. Growing integration with the parent group, FLSmidth Denmark, is reflected in the steps taken by the new management to gradually upgrade the company's product mix to the quality standards of other group companies through technology and brand sharing initiatives. The financial risk profile is expected to remain healthy owing to the absence of debt in the capital structure and financial support available from the cash rich parent company. The rating may be upgraded if EEL delivers more-than-expected revenues over the medium term. Conversely, the outlook may be revised to 'Stable' if EEL's revenue growth is adversely affected by a decline in orders or significant increase in gearing to fund its capital expenditure (capex) or abnormal increase in working capital, weakening liquidity.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Increase in working capital intensity
- Sustenance of buoyant order book, strong capital structure, and healthy profitability

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1771	1179	2010
OPBDIT	354	304	521
PAT	247	203	337
Tangible Networth	884	639	441
Total Debt	-	25	85

OPBDIT Margins (%)	19.9	25.7	25.7
Net Profit Margins (%)	13.9	17.1	16.7
Interest cover (times)	78.85	62.76	62.73
NCA / Total Debt (times)	-	8.77	0.92
Gearing (times)	-	0.04	0.19
Total Debt / PBDIT (times)	-	0.08	0.16

Eftec Shroff (India) Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
26/Jul/2010	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Eftec Shroff (India) Ltd (ESIL), a joint venture between Eftec Asia PTE Ltd (Eftec Asia) and the Shroff group of companies, manufactures bonding, coating and sealing adhesives used in the automobile industry. The company has started manufacturing its wax- and polyvinyl chloride (PVC)-based products in its state-of-the-art facility near Pune, Maharashtra. The company sells its products to leading automobile manufacturers in India including Tata Motors Ltd (Tata Motors, rated 'CRISIL AA-/Stable/CRISIL A1+'), Fiat India Ltd (CRISIL BBB+/Stable/CRISIL A2'), Nissan Motor India Pvt Ltd and Ashok Leyland Ltd ('CRISIL AA-/Stable/CRISIL A1+').

Rating Strengths

- Strong financial risk profile
- Established market position

Rating Weaknesses

- Customer concentration in revenue profile, and limited presence in aftermarket segment
- Increasing working capital requirements, constraining financial flexibility

Outlook: Stable

CRISIL believes that ESIL will continue to benefit from its stable business risk profile, established clientele, and maintain a strong financial risk profile backed by substantial cash accruals, over the medium term. The outlook may be revised to 'Positive' if ESIL substantially scales up its operations, while sustaining its profitability and capital structure. Conversely, the outlook may be revised to 'Negative' if any large, debt-funded capital expenditure (capex) leads to material deterioration of ESIL's debt protection metrics or capital structure, or any significant delays in receivable realisation results in weakened liquidity.

Key Rating Sensitivity Factors

- Extent of equity infusion
- Maintenance of profitability and revenue growth
- Capex plans and their funding mix

Financial Performance

Rupees Million	31-Dec-10	31-Dec-09	31-Dec-08
Net Sales	600	527	432
OPBDIT	143	138	81
PAT	66	80	44
Tangible Networth	288	222	134
Total Debt	146	134	163

OPBDIT Margins (%)	22.0	25.8	18.4
Net Profit Margins (%)	10.2	14.9	10.1
Interest cover (times)	7.85	12.70	10.50
NCA / Total Debt (times)	0.57	0.65	0.30
Gearing (times)	0.51	0.61	1.22
Total Debt / PBDIT (times)	1.02	0.97	2.00

Eldeco Housing and Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
26/Nov/2010	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Eldeco Housing and Industries Ltd (EHIL) was promoted by Mr. S K Garg in 1985 to undertake real estate development in Lucknow and Kanpur. The company is part of the Eldeco group, which is present in real estate development across Uttar Pradesh (UP), with the National Capital Region comprising Noida and Greater Noida being handled by group company, Eldeco Infrastructure and Properties Ltd, and the Agra region being handled by Eldeco Buildwell Ltd. EHIL is presently undertaking work on 5 residential housing development projects in Lucknow- Udyan Expressway, Eden Park, Eldeco Emperor, Eldeco Elegance and Eldeco Eternia. These projects were launched in 2006-07 and the company is expected to fully execute work on these projects by 2012-13. The total cost of completion of these projects is expected at around Rs. 2300.0 million with sales value estimated at over Rs. 3000.0 million. EHIL is also classified as a class one contractor and undertakes land development work (5 per cent to the operating income in 2008-09) for state bodies like Lucknow Development Authority. The company was listed on the Bombay Stock Exchange in 1985.

Rating Strengths

- Healthy financial risk profile marked by low gearing and strong liquidity with large cash and bank balances
- Established market position

Rating Weakness

- Exposure to inherent risks and cyclicality in Indian real estate industry

Outlook: Stable

CRISIL believes that EHIL will sustain its leadership position in the real estate industry in the Lucknow and Kanpur regions of UP, supported by its established track record of timely completion and saleability of projects. The outlook may be revised to 'Positive' in case of more-than-expected growth in the company's operating income, driven largely by its diversification into regions beyond Kanpur and Lucknow. Conversely, the outlook may be revised to 'Negative' in case of lower-than-expected growth in EHIL's operating income and profitability, and/or a slowdown in customer advances, leading to higher-than-anticipated debt levels.

Key Rating Sensitivity Factors

- Prolonged slowdown in real estate sector
- Significant investments in businesses other than real estate
- Significant debt-funded plans

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	478	1029	451
OPBDIT	121	88	89
PAT	88	64	68
Tangible Networth	460	374	312
Total Debt	37	64	67
OPBDIT Margins (%)	23.7	8.5	19.0
Net Profit Margins (%)	17.3	6.1	14.6
Interest cover (times)	11.30	7.14	8.17
NCA / Total Debt (times)	2.41	1.01	1.02
Gearing (times)	0.08	0.17	0.21
Total Debt / PBDIT (times)	0.31	0.58	0.66

Elegant Collection

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
31/Mar/2011	A-			Stable
31/Jul/2009			A2+**	

***Initial rating assigned*

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Ratilal Becharlal & Sons, Uni Gems India Pvt Ltd (both in the diamond business); Elegant Collection (Elegant), Jasani Jewellery, RB Jewellery Corporation, Jasani Jewellery II (all four in the diamond-studded jewellery business); Dia Man Exports Pvt Ltd (into both diamond as well as diamond studded jewellery business); and Supreme Gems Pvt Ltd, Ratilal Becharlal Diamonds Pvt Ltd, and Ornat Gems Pvt Ltd (support units for the other entities in the group). All these entities have been collectively referred to herein as the Jasani group.

The Jasani group, promoted by Mr. Ratilal Becharlal Jasani in 1966, with Ratilal Becharlal & Sons as the group's flagship firm, is closely held by Jasani family. The group is primarily engaged in exports of rough diamonds, polished diamonds, and diamond-studded gold jewellery, though it has domestic operations as well. The group focuses on the round and princess-cut diamonds and specialises in Triple Excellent, Hearts, and Arrows, along with proprietary cuts such as Love Mark and Movado. The group has been a Diamond Trading Company (DTC) sight holder since the past 36 years. It does not own jewellery brands; however, it has marketing rights for Asian and Gulf countries for brands such as Perfect Choice, You, Love Mark, Trestelle, and the Bride's Pendant, which are currently owned by The Stuckey Co, USA. The Jasani group sells its products in the US, Japan, Europe, the Far East, and India.

Rating Strengths

- Healthy financial risk profile, marked by high net worth, low gearing, and moderate debt protection indicators
- Strong operational efficiencies, driven by assured supplies of rough diamonds from DTC and Alrosa Company Ltd, Russia (Alrosa), and efficient working capital management
- Comfortable business risk profile, with presence in segments such as polished diamonds and diamond-studded jewellery, and extensive experience of promoters

Rating Weaknesses

- Vulnerability of profitability to fluctuation in diamond prices and foreign exchange (forex) rates
- Exposure to risks related to revenue concentration in US and European markets

Outlook: Stable

CRISIL expects the Jasani group to maintain its healthy financial risk profile on the back of its efficient working capital management. CRISIL also expects the group to maintain its established market position and strong operating efficiencies. The outlook may be revised to 'Positive' if the group's revenue and profitability increase significantly, while it maintains a healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' if the group faces pressure on revenue and profitability, or significant deterioration in capital structure.

Key Rating Sensitivity Factors

- Revenue growth and operating profitability
- Continued efficiency in working capital management
- Continuity of assured diamond supplies from DTC and Alrosa
- Any significant deterioration in financial risk profile, including due to substantial withdrawal of capital by promoters

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	10629	9,299	9,699
OPBDIT	675	(99)	478
PAT	469	(303)	199
Tangible Networth	2998	2,707	3,143
Total Debt	2217	760	1,808

OPBDIT Margins (%)	6.2	(1.1)	4.9
Net Profit Margins (%)	4.3	(3.3)	2.0
Interest cover (times)	6.47	(0.71)	3.68
NCA / Total Debt times)	0.15	(0.53)	(0.01)
Gearing (times)	0.74	0.28	0.58
Total Debt / PBDIT (times)	3.00	(7.46)	3.67

Esdee Paints Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
19/May/2011	A-		A2+	Stable
31/Mar/2010	BBB+		A2+	Positive
23/Feb/2009	BBB+**		A2**	Stable

***Initial Bank loan rating assigned*

Company Background:

Esdee Paints Ltd (EPL) was established in 1963 by Mr. Ganesh Lal Dawra as a proprietorship concern. It was reconstituted as a private limited company in 1990 and then as a public limited company in 1993. Currently managed by Mr. Mahavir Dawra, Mr. Sharad Dawra, and Mr. Shekhar Dawra, EPL manufactures auto and wood refinishes, chemical-resistant paints, high-performance coatings, and heat-resistant paints for industrial and automotive sectors. The company has four units — in Thane, Turbhe (both in Maharashtra), Vatva, and Moraiya (both in Gujarat) — with a total capacity of around 37 million litres per annum (mlpa). The Moraiya unit is the largest, with current capacity of 18 mlpa. EPL recently expanded its capacity at Moraiya by 16 million litres per annum.

Rating Strengths

- Healthy financial risk profile
- Long-standing presence in industrial paints segment

Rating Weaknesses

- Susceptibility of operating margin to volatility in raw material prices and foreign exchange (forex) rates
- Large working capital requirements

Outlook: Stable

CRISIL believes that EPL's financial risk profile will remain healthy over the medium term, backed by the improvement in its revenues and stable operating margin. The outlook may be revised to 'Positive' if EPL is able to further increase its scale of operations by generating more-than-expected revenues from the enhanced capacity while sustaining its operating margin. Conversely, the outlook may be revised to 'Negative' if EPL undertakes a larger-than-expected, debt-funded capital expenditure programme, thereby adversely affecting its financial risk profile, or if it reports a less-than-expected increase in profitability and cash accruals.

Key Rating Sensitivity Factors

- Fluctuations in prices of key raw materials
- Aggressive debt-funded capital expenditure

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2,141	1,708	1,464
OPBDIT	233	158	94
PAT	126	78	40
Tangible Networth	686	560	482
Total Debt	163	123	99
OPBDIT Margins (%)	10.8	9.2	6.4
Net Profit Margins (%)	5.9	4.5	2.7
Interest cover (times)	11.42	7.58	5.38
NCA / Total Debt times)	0.9	0.78	0.55
Gearing (times)	0.24	0.22	0.2
Total Debt / PBDIT (times)	0.69	0.78	1.05

Essae Digitronics Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
2/Jun/2010	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Incorporated in 1996, Essae Digitronics Private Limited (EDPL) manufactures weigh bridges, machine components, hub drives, and rapid load-out systems. EDPL is part of the Essae group of companies, promoted by Mr. S A Venkatesan and Mr. S A Chandran in 1965. The group manufactures weighing systems, automotive (auto) components, bar coding and scanning systems, and printed circuit board assemblies. EDPL has five divisions to manufacture weigh bridges, transient weighment products, machined components, hub drives, and rapid load-out systems. EDPL's manufacturing facilities are located in Bengaluru (Karnataka). EDPL has recently set up a manufacturing facility in Uttarakhand.

Rating Strengths

- Diversified product portfolio
- Strong financial risk profile

Rating Weakness

- Modest scale of operations

Outlook: Stable

CRISIL believes that EDPL will continue to benefit over the medium term from its various technological collaborations and its diversified revenue streams. The outlook may be revised to 'Positive' if there is significant improvement in the company's operating revenues and margin. Conversely, the outlook may be revised to 'Negative' if its capital structure weakens considerably on account of large debt-funded expansions or deterioration in its operating margin.

Key Rating Sensitivity Factors

- Demand for rapid load-out product
- Capital expenditure plans and their funding mix

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	808	728	507
OPBDIT	107	97	89
PAT	59	42	34
Tangible Networth	307	258	226
Total Debt	164	164	145
OPBDIT Margins (%)	12.8	12.7	16.2
Net Profit Margins (%)	7.1	5.5	6.2
Interest cover (times)	5.47	5.54	4.94
NCA / Total Debt (times)	0.41	0.29	0.30
Gearing (times)	0.54	0.64	0.64
Total Debt / PBDIT (times)	1.30	1.62	1.56

Essel Shyam Communication Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
9/Nov/2011	A-**	-	A2+	Stable

*** Initial Bank loan rating assigned*

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Essel Shyam Communication Limited (ESCL) and its 100 per cent subsidiary, Essel Shyam Technologies Ltd (ESTL), together known as ESCL-ESTL combine.

ESCL is a satellite-based communications service provider of satellite communication services, broadband, uplinking, playout, digital satellite news gathering (DSNG), system integration, and project management services, and remote information technology infrastructure management services. ESCL serves satellite channels, enterprises, publishers, online lotteries, stock exchanges, and turf authorities. ESTL is a 100 per cent subsidiary of ESCL, and was started in 2001. ESTL is in the business of turnkey implementation of satellite communication networks, integration, and supply of SNG/DSNG vans, setting up studios and newsrooms for media companies, and servicing and maintenance of networks in India and the overseas markets.

ESCL was set up as a joint venture between the Shyam and Essel groups in 1996 through Rama Associates Ltd, and Shyam Basic Infrastructure Projects Ltd. ESCL set up Very Small Aperture Terminal (VSAT) operations in 1998 and teleport operations in 2001. Kubera Cross Border Fund (Mauritius) Ltd owns 6.8 per cent stake in ESCL, Rama Associates Ltd 40 per cent, and Shyam Basic Infrastructure Projects Ltd owns 40 per cent.

Rating Strengths

- Established market position and long-standing customer relationships
- Strong operating capabilities
- Strong financial risk profile

Rating Weaknesses

- Threat of increasing customer concentration
- Susceptibility to cyclicality in its end-user industry i.e. broadcasting

Outlook:Stable

CRISIL believes that the ESCL-ESTL combine will maintain its business risk profile over the medium term, supported by its established market position in the teleport service industry and strong operating capabilities. The combine's financial risk profile is expected to remain healthy over the medium term despite its planned debt-funded capital expenditure (capex), supported by stable cash accruals and sizeable customer advances. The outlook may be revised to 'Positive' if the combine implements its planned capex and sustains growth in its revenues and profitability, while maintaining its strong financial risk profile. Conversely, the outlook may be revised to 'Negative' if the combine reports lower-than-expected growth in its revenues and profitability, or if it suffers because of any adverse regulatory changes with respect to licencing guidelines, or if it undertakes larger-than-expected debt-funded capex programme, thereby weakening its capital structure.

Key Rating Sensitivity Factors

- Adverse regulatory changes in licensing guidelines
- Higher than expected capex and its funding mix
- Ability to keep pace with rapid changes in technology
- Any payout in relation to buyback or exit

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1,298	994	1,267
OPBDIT	367	261	285
PAT	195	199	54
Tangible Networth	1,409	1,237	1,062
Total Debt	448	238	328

OPBDIT Margins (%)	28.2	26.2	22.4
Net Profit Margins (%)	15.0	20.0	4.3
Interest cover (times)	16.2	75.3	3.5
NCA / Total Debt (times)	0.65	1.09	0.41
Gearing (times)	0.32	0.19	0.31
Total Debt / PBDIT (times)	1.08	0.71	1.15

Essel Shyam Technologies Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
9/Nov/2011	A-**	-	A2+**	Stable

*** Initial Bank loan rating assigned*

Company Background:

Essel Shyam Technologies Limited (ESTL) is a wholly owned subsidiary of Essel Shyam Communication Ltd (ESCL; rated 'CRISIL A-/Stable/A2+'). ESTL was set up in 2001. The company is in the business of turnkey implementation of satellite communication networks, integration, and supply of digital satellite news gathering/satellite news gathering (DSNG/SNG) vans, setting up studios and newsrooms for media companies, and servicing and maintenance of networks in India and the overseas markets.

ESCL is a satellite-based communications service provider of satellite communication services, broadband, uplinking, playout, DSNG, system integration, and project management services, and remote information technology infrastructure management services. ESCL serves satellite channels, enterprises, publishers, online lotteries and stock exchanges.

Rating Strengths

- Strong support from parent, ESCL
- Above-average financial risk profile

Rating Weakness

- Small-scale operations and low profitability

Outlook:Stable

The rating outlook on ESTL's bank loan facilities is based on CRISIL's rating outlook on ESCL's bank facilities. Any change in the ratings or rating outlook on ESCL's bank facilities will lead to a similar rating action on ESTL's bank facilities.

Key Rating Sensitivity Factors

- Change in nature of support from ESCL
- Significant debt-funded capital expenditure

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	507	346	655
OPBDIT	42	21	28
PAT	24	15	8
Tangible Networth	189	166	51
Total Debt	233	283	379
OPBDIT Margins (%)	8.1	6.2	4.3
Net Profit Margins (%)	4.6	4.3	1.2
Interest cover (times)	3.45	3.00	1.45
NCA / Total Debt (times)	0.14	0.07	0.03
Gearing (times)	1.23	1.71	7.45
Total Debt / PBDIT (times)	4.14	8.12	10.25

Everest Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
13/Dec/2010	A+		A1	Stable
3/Feb/2010	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Everest Industries Ltd (Everest) was incorporated in 1934 as a joint venture (JV) between ACC Ltd (ACC, rated 'CRISIL AAA/Stable/CRISIL A1+'), Mr. F E Dinshaw, and Turner Newall Plc (T&N). T&N sold its stake in Everest to the Etex group in 1987, and this stake was, in February 2002, acquired by ACC. In October 2005, ACC entered into a share-sale agreement with Everest Finvest India Pvt Ltd, which has since assumed a 50 per cent stake in Everest.

The company is the pioneer in the manufacturer of asbestos cement (AC) roofing in the country. Everest has, since the late 1990s, started the manufacture of non-asbestos building products, such as roofing sheets, flooring, cladding, and other boards. In 2008-09, the company started design, manufacture, and erection of pre-engineered building (PEBs) made of steel. The revenue from AC roofing accounted for more than 60 per cent of its overall revenue. The company had an installed capacity of 0.71 million tonnes per annum (tpa) of conventional building products (including AC roofing) and 30,000 tpa of steel-building products, as on March 31, 2010.

Rating Strengths

- Strong position in AC-roofing market
- Diversified revenue mix
- Healthy financial risk profile

Rating Weaknesses

- Regulatory threat of ban on manufacture or usage of asbestos in India and in key asbestos-producing nations
- Intense competition in AC-roofing market, resulting in need for capex at regular intervals and volatility in operating margin

Outlook: Stable

CRISIL believes that Everest will continue to benefit from its established market position in the AC-roofing business, increasing diversification of its revenue profile, and its adequate operating efficiencies, over the medium term. The outlook may be revised to 'Positive' if there is a significant improvement in Everest's business risk profile, most likely driven by more-than-expected sales in its non-asbestos businesses. Conversely, the outlook may be revised to 'Negative' if Everest's business takes a hit because of adverse regulatory changes with respect to manufacture and use of asbestos in India or elsewhere, its profitability declines steeply because of increase in input costs, or its capital structure weakens because of larger-than-expected debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Operating profitability trends
- Adverse regulatory action impacting asbestos sector
- Additional debt-funded capex

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	6518	5362	2978
OPBDIT	655	640	223
PAT	300	143	137
Tangible Networth	1714	1486	1398
Total Debt	1199	1697	1318
OPBDIT Margins (%)	10.0	11.9	7.5
Net Profit Margins (%)	4.6	2.7	4.6
Interest cover (times)	6.42	4.02	6.71
NCA / Total Debt (times)	0.29	0.23	0.12
Gearing (times)	0.70	1.14	0.94
Total Debt / PBDIT (times)	1.88	2.56	4.18

Everest Kanto Cylinder Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
8/Mar/2010	A+		A1	Stable
24/Dec/2008	A+**		A1+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Everest Kanto Cylinder Ltd (Everest Kanto) and Everest Kanto's wholly owned subsidiaries, including step-down entities (EKC International FZE, Dubai, EKC Industries (Tianjin) Co Ltd, China, EKC Hungary Kft, Hungary, and CP Industries Holdings Inc, USA. All the entities have been collectively referred to as the Everest Kanto group.

Promoted by Mr. P K Khurana in 1978, Everest Kanto manufactures high-pressure seamless compressed natural gas (CNG) and industrial cylinders. The cylinders are used by automobile original equipment manufacturers (OEMs), retrofitters, and gas distribution companies; the industrial cylinders are used in healthcare, fire-fighting, and food and beverages segments. CNG cylinders account for a bulk of Everest Kanto's standalone revenues. The group has manufacturing units in India, Dubai, and China, with a total capacity of 1.02 million cylinders per annum. In April 2008, the Everest Kanto group acquired CP Industries Inc, USA, for USD70 million, thereby entering the jumbo cylinder segment. The group is expanding capacity at its Gandhidham unit: it is adding 200,000 cylinders using the billet piercing technology, and 5000 jumbo cylinders per annum. The group is also setting up a 300,000-unit plant in the Kandla special economic zone, to manufacture lightweight CNG cylinders, using the deep draw process; this unit will focus on the European and Asian OEM markets.

Rating Strengths

- Established market position in high-pressure seamless cylinder segment
- Sound financial risk profile

Rating Weaknesses

- Exposure to risks relating to supplier concentration
- Vulnerability to project risks associated with aggressive capital expenditure (capex) plans

Outlook: Stable

CRISIL believes that the Everest Kanto group will maintain its favourable business risk profile on the back of its leading market position, and will benefit from the expected growth in demand for CNG cylinders, over the medium term. The outlook may be revised to 'Positive' if the group diversifies into the European markets, or sustains an improvement in its operating margins. Conversely, the outlook may be revised to 'Negative' if there is a decline in the group's profitability, delays in commencement of commercial production of the two projects in Gandhidham and Kandla, incurs higher-than-expected losses in its China or US operations, or undertakes a larger-than-expected debt-funded capex programme, leading to deterioration in its capital structure.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Successful commissioning and utilisation of expanded capacities
- Buy-back of foreign currency convertible bonds
- Volatile oil and steel prices
- Political unrest in Iran impacting off-take from Dubai operations

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	6934	8547	5282
OPBDIT	658	2748	1630
PAT	414	1236	971
Tangible Networth	5881	6001	4736
Total Debt	5436	6414	2446

OPBDIT Margins (%)	10.0	32.0	30.7
Net Profit Margins (%)	4.3	14.4	18.3
Interest cover (times)	3.18	5.64	9.93
NCA / Total Debt (times)	0.05	0.28	0.43
Gearing (times)	0.91	1.07	0.52
Total Debt / PBDIT (times)	NP	NP	NP

Excel Crop Care Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Negative
Rating History				
21/Oct/2011	A		A1	Negative
6/Oct/2010	A		A1	Stable
28/Aug/2009	A-		A2+	Stable
2/Apr/2009	A-		A2+	Negative
25/Jul/2008	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Excel Crop Care Limited (ECCL) manufactures crop-protection chemicals. In 2010-11, the company derived approximately 60 per cent of its revenues from insecticides, 25 per cent from weedicides, and the remaining from fungicides and other products. The company's key products include endosulfan, glyphosate, chlorpyriphos, aluminium phosphide, and zinc phosphide, of which, endosulfan is its largest-selling product, accounting for a third of its revenues (about 40-45 per cent three years ago). As on June 30, 2011, the major shareholders in ECCL were the Shroff family (19.27 per cent shareholding) and Nufarm Ltd, an Australian crop protection and industrial chemicals company (14.69 per cent).

Rating Strengths

- Established market position in crop-protection business
- Adequate financial risk profile

Rating Weaknesses

- High dependence on endosulfan for revenues
- Exposure to regulatory risks and susceptibility to fluctuations in rainfall

Outlook: Negative

CRISIL believes that continuing delays in permitting sale of endosulfan in the domestic market will strain ECCL's business performance, though the company's healthy net worth and comfortable gearing will partially help buttress the impact on its financial risk profile in the near term. The ratings may be downgraded in the event of a permanent ban on production and sale of endosulfan in the domestic market, less-than-expected cash generation by the company because of more-than-expected decline in its revenues and profitability, in the event of stretched working capital levels, or large, debt funded capital expenditure (capex) or acquisitions. Conversely, the outlook may be revised to 'Stable' if ECCL introduces new products and increases revenues from other products to mitigate the adverse impact of the interim ban on endosulfan on its revenues and profitability and simultaneously prudently manages its working capital, or if the ban on production and sale of endosulfan in the domestic market is removed shortly.

Key Rating Sensitivity Factors

- Extension of temporary ban or complete ban on sale of Endosulfan in India
- Revenues from new products and profitability
- Adverse climatic conditions
- Large debt-funded capex or acquisitions
- Change in shareholding

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	7,160	6,254	7,006
OPBDIT	862	741	1,030
PAT	423	370	341
Tangible Networth	2,152	1,780	1,505
Total Debt	1,227	1,456	1,480
OPBDIT Margins (%)	11.7	11.5	14.3
Net Profit Margins (%)	5.7	5.7	4.7
Interest cover (times)	8.96	8.57	5.19
NCA / Total Debt (times)	0.41	0.27	0.25
Gearing (times)	0.57	0.82	0.98
Total Debt / PBDIT (times)	1.48	1.92	1.90

Famy Care Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
18/Nov/2010	A+**		A1+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Set up in 1987 and promoted by Mr. Jyoti Prasad Taparia, Famy Care Ltd (Famy Care) operates in a niche segment of hormonal contraceptives. The company manufactures all kinds of contraceptives, including injectibles, tubal rings, copper-Ts, and condoms. The company is one of the largest manufacturers of oral contraceptive pills (OCPs) in the world. Most of Famy Care's revenues come from tenders floated for semi-regulated countries. To diversify into private and regulated markets, the company has entered into marketing agreements with large global pharmaceutical entities.

Rating Strengths

- Strong market position in OCPs and intra-uterine devices (IUDs)
- Robust financial risk profile

Rating Weaknesses

- Concentration of revenues in women's contraceptive segment
- Significant, albeit reducing, dependence on large tenders in OCP segment

Outlook: Stable

CRISIL believes that Famy Care will continue to benefit over the medium term from its established market position in the niche segment of hormonal contraceptives. The outlook may be revised to 'Positive' if Famy Care increases its revenue diversity significantly through strong growth in private markets. Conversely, the outlook may be revised to 'Negative' if the company undertakes a large, debt-funded capital expenditure programme, or its margins or net worth decline sharply.

Key Rating Sensitivity Factors

- Recurrence of orders through tenders
- Profitability and gearing levels
- Ability to successfully tap regulated markets

Financial Performance (Not Published)

Fedders Lloyd Corporation Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
06/Jan/2011	A		A1	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the credit profiles of Fedders Lloyd Corporation Ltd (FLCL), and its wholly owned subsidiary, Fedders Lloyd Trading FZE. FLCL, based in New Delhi, was incorporated in January 1957, and belongs to the Lloyd group (a part of the BR Punj group). It operates in both the commercial and retail air-conditioning (AC) segments. The company's manufacturing units are in Noida (Uttar Pradesh {UP}), Kala Amb (Himachal Pradesh), and Chennai (Tamil Nadu {TN}). It also diversified into steel structures and the power transmission and distribution (T&D) businesses in 2008-09 and 2009-10, respectively, through units in Pantnagar (Uttarakhand) and Sikandarabad (UP) respectively. The company has decided to transfer its retail AC business to a group company during 2011-12. FLCL is currently undertaking a capex programme of Rs.1.23 billion for setting up a unit for precision fabrication in Bharuch (Gujarat) and one for steel structures in Ranipet (TN), and for shifting its Sikandarabad unit from rented premises to an owned one, and then upgrading the capacity at the same. FLCL has also acquired a plant for steel structures in Haridwar (Uttrankhand) from a group company which commenced operations in April 2011. FLCL derives synergies from its group companies: Lloyd Electric and Engineering Ltd (Lloyd Electric, rated 'CRISIL A+/Negative/CRISIL A1'), Airserco Pvt Ltd (rated 'CRISIL BB-/Negative/CRISIL A4'), and Perfect Radiators and Oil Coolers Pvt Ltd (PROC, rated 'CRISIL BB-/Stable/CRISIL A4+'). Lloyd Electric manufactures heat exchange coils and supplies evaporator and condenser coils for original equipment manufacturers (OEMs) of ACs.

Rating Strengths

- Established presence in heating, ventilation, air-conditioning & refrigeration (HVAC&R) segment
- Increasing diversity in revenue profile owing to new business segments
- Improvement in profitability supported by healthy order book position

Rating Weaknesses

- Susceptibility of operating profitability to input price fluctuations
- Financial risk profile to moderate owing to working-capital-intensive operations and debt-funded capital expenditure (capex) plans

Outlook: Stable

CRISIL believes that FLCL will maintain its business risk profile over the medium term, supported by diversity in its revenue profile and its sizeable order book. Although FLCL's debt-funded capex in 2010-11 had weakened its capital structure, its financial risk profile is expected to be supported over the medium term by commencement of operations at its new plants and profits generated by its older business divisions. The outlook may be revised to 'Positive' if FLCL improves its revenues and profitability on a sustained basis and completes its capex ahead of schedule, translating into more-than-expected improvement in its debt protection metrics. Conversely the outlook may be revised to 'Negative' if there is lesser-than-expected growth in FLCL's revenues or profitability, or if the company undertakes a larger-than-expected debt-funded capex programme, resulting in deterioration in its financial risk profile.

Key Rating Sensitivity Factors

- Exposure to group companies
- Profitability from new business segments
- Larger-than-expected debt-funded capex or acquisitions
- Ability to sustain improvement in profitability

Financial Performance (Consolidated)

Rupees Million	30-Jun-10	30-Jun-09
Net Sales	6861	4600
OPBDIT	769	301
PAT	385	117
Tangible Networth	1771	1425
Total Debt	1846	1164
OPBDIT Margins (%)	11.2	6.5
Net Profit Margins (%)	5.6	2.5
Interest cover (times)	4.35	2.56
NCA / Total Debt (times)	0.25	0.11
Gearing (times)	1.04	0.82
Total Debt / PBDIT (times)	2.39	3.82

Fenner (India) Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A+	FAA-	A1	Negative
Rating History				
28/Dec/2011	A+	FAA-	A1	Negative
29/Jun/2010	A+	FAA-	A1	Positive
2/Sep/2009	A+	FAA-	A1	Stable
24/Nov/2008	A+	FAA-	A1	Negative
2/Apr/2008	A+	FAA-	A1	Stable
26/Jul/2006		FAA-	A1	Stable; removed from rating watch with developing implications
13/Feb/2006		FAA	A1+	Placed on Rating watch with developing implications
18/Jan/2006		FAA	A1+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Fenner (India) Ltd (Fenner) and its subsidiaries, Modern Cotton Yarn Spinners Ltd (MCYSL; rated 'CRISIL BBB-/Stable/CRISIL A3') and Southern Spinners and Processors Ltd (SSPL; rated 'CRISIL BBB-/Stable/CRISIL A3'), together referred to as Fenner group. Fenner, incorporated in 1955 as a subsidiary of Fenner International, UK, is currently part of the JK group, and a leading manufacturer of polymer products, V-belts, and oil seals in India. The company has polymer manufacturing units at Madurai, Sriperumbudur, and Nilakottai (Tamil Nadu {TN}), and at Patancheru (Andhra Pradesh {AP}). It also manufactures engineering products at Pashamailaram (AP), and has windmills at Aralvoimozhi, Kanyakumari (TN). The company's textile business is currently vested in its subsidiaries, SSPL (capacity of 24,156 spindles at Salem, TN) and MCYSL (capacity of 12,480 spindles at Karur, TN).

Rating Strengths

- Leading position in polymer business (V-belts and oil seals)
- Adequate financial risk profile

Rating Weaknesses

- High exposure to group companies
- Low profitability of textiles business

Outlook: Negative

CRISIL believes that Fenner's credit risk profile will remain constrained over the medium term because of the increased exposure to group companies. The ratings may be downgraded in case of further increase in investments in group companies, in case land holdings do not yield returns, or are not monetized in the near term, in case of a weaker-than-expected business performance, or more-than-expected debt-funded capex or acquisitions. Conversely, the outlook may be revised to 'Stable' in case of significant decrease in group investments, or significantly higher than expected growth in revenues and profitability over the medium term.

Key Rating Sensitivity Factors

- Significant increase/decrease in exposure to group companies
- Significant deterioration in profitability of polymer and textiles business
- Additional capital expenditure and means of financing
- Acquisitions and funding pattern thereof

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	4,938	3,804	3,202
OPBDIT	919	751	490
PAT	488	377	126
Tangible Networth	2,695	2,317	2,017
Total Debt	1,374	1,275	1,606
OPBDIT Margins (%)	18.4	19.6	15.1
Net Profit Margins (%)	9.7	9.8	3.9
Interest cover (times)	8.66	6.57	2.73
NCA / Total Debt (times)	0.40	0.33	0.13
Gearing (times)	0.51	0.55	0.80
Total Debt / PBDIT (times)	1.47	1.56	3.13

Firstsource Solutions Limited

Date	LT	FD	ST	Outlook
Current Rating				
	CCR A-		A2+	
Rating History				
06/Feb/2012	CCR A-		A2+	
23/Feb/2011	CCR A**		A1	
4/Nov/2008			A1**	

***Initial rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Firstsource Solutions Ltd (Firstsource) and its subsidiaries.

Firstsource provides business process outsourcing (BPO) services mainly across three verticals: telecom and media, healthcare, and banking, financial services, and insurance. The verticals contributed 38.0 per cent, 36.0 per cent, and 25.0 per cent, respectively to the company's revenues for the first nine months of 2010-11.

Firstsource has a global delivery model, with 30,121 employees and 48 delivery centres across the US, the Philippines, India, UK, and Sri Lanka. Although Firstsource was promoted by ICICI Bank Ltd in 2001, the bank's shareholding in the company has reduced over the years. Firstsource's shares are also owned by venture capital firms, strategic partners, and the Indian public. As on December 31, 2011, the ICICI group owned 19.86 per cent of Firstsource's equity shares, while Metavante Investments Mauritius Ltd and Aranda Investments Mauritius Pte Ltd owned 18.17 per cent and 18.82 per cent respectively.

Rating Strengths

- Competitive advantage arising from established market position and diversified revenue profile
- Healthy position in healthcare vertical
- Positive long-term fundamentals for BPO industry

Rating Weaknesses

- Relatively high gearing resulting from aggressive growth strategy in the past
- Intense competition, both for customers and talent

Key Rating Sensitivity Factors

- Sustaining market position and operational efficiency in highly competitive environment
- Refinance of part of its foreign currency convertible bonds due in December 2012
- Managing financial leverage metrics consistent with current ratings
- Any further debt-funded acquisition

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	19539	17525	12406
OPBDIT	2704	2045	2384
PAT	-1419	-2642	-1061
Tangible Networth	7059	8700	8682
Total Debt	11980	13046	12552

OPBDIT Margins (%)	13.7	11.7	18.3
Net Profit Margins (%)	-7.2	-15.1	-8.2
Interest cover (times)	2.76	1.99	3.24
NCA / Total Debt times)	0.13	0.05	0.14
Gearing (times)	1.70	1.50	1.45
Total Debt / PBDIT (times)	4.30	7.70	4.75

Forbes Marshall Arca Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
7/May/2010	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Forbes Marshall Arca Private Ltd (FMAPL), set up in 1987, is now a 50:50 JV between Forbes Marshall Pvt Ltd and Arca Regler, GmbH. FMAPL manufactures control valves, pressure-reducing valves, and de-superheating stations. Its day-to-day operations are managed by the Indian JV partner, with strategic inputs from the foreign partner.

Founded in the 1920s, Arca Regler, GmbH, based in Germany, designs, manufactures, and supplies control valves to the chemical, food and beverage, power, and petrochemical industries.

The Forbes Marshall group has been in the steam engineering and control instrumentation segment for more than six decades. The group's products find application in diverse sectors, such as power, cement, metals and mining, fertilisers, pharmaceuticals, and oil and gas. The group has its manufacturing facilities in Pimpri, near Pune (Maharashtra). The group has formed many technological tie-ups under separate JVs with large global players, such as Spirax Sarco (UK), Krohne Messtechnik GmbH (Germany), Arca (Germany), Vyncke (Belgium), and Codel International (UK) at various stages of the steam processing value chain.

Rating Strengths

- Established market position and longstanding presence in control instrumentation solutions business, supported by the marketing set-up of Forbes Marshall group and strong technical capabilities of joint venture (JV) partner Arca Regler, GmbH
- Healthy financial risk profile, marked by low gearing and comfortable debt protection metrics

Rating Weakness

- Exposure to risks related to shifts in technology and cyclical nature of engineering products industry

Outlook: Stable

CRISIL believes that the FMAPL would maintain its established position in the steam engineering and control instrumentation segment supported by the marketing set-up of the Forbes Marshall group and the strong technical capabilities of its JV partner, Arca. The financial risk profile of the company is also expected to remain healthy on the back of its healthy profitability levels and management's conservative financial policy. The outlook may be revised to 'Positive' if there is a substantial and sustained improvement in FMAPL's revenues and profitability margins from the current levels or there is a significant improvement in its net worth on the back of equity infusion by the promoters. Conversely, the outlook may be revised to 'Negative' if there is a steep decline in FMAPL's profitability margins from the current levels or there is a deterioration in its financial risk profile on account of large debt-funded capital expenditure.

Key Rating Sensitivity Factors

- Ability to maintain operating margin amid volatile raw material prices
- Relationship with technology partners
- Working capital management

Financial Performance (Not Published)

Forbes Marshall Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		**A1+**	**Stable**
Rating History				
7/May/2010	**A+****		**A1+****	**Stable**

***Initial Bank loan rating assigned*

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Forbes Marshall Pvt Ltd (FMPL), Forbes Marshall Arca Pvt Ltd, Krohne Marshall Pvt Ltd, JN Marshall Pvt Ltd, Spirax Marshall Pvt Ltd, Forbes Marshall Vyncke Pvt Ltd, Forbes Marshall Codel Pvt Ltd, Forbes Marshall (Hyd) Pvt Ltd, Forbes Marshall Lanka Pvt Ltd, and Forbes Marshall Canada Inc, together referred to as the Forbes Marshall group.

FMPL, a part of the 60-year-old Forbes Marshall group of companies, was promoted by Mr. Darius Forbes in 1985. FMPL manufactures piston valves, stop and safety valves, controllers, instrumentation systems, vibration monitoring systems, and steam and water analysis systems. The company also derives income by way of commission by acting as an indenting agent for special purpose equipment related to process efficiency such as Watson Marlow Peristaltic pumps, Shinkawa vibration monitors and sensors and Elpro Wireless products.

The Forbes Marshall group has been in the steam engineering and control instrumentation segment for more than five decades. The group's products find applications in diverse sectors such as power, cement, metals and mining, fertilisers, pharmaceuticals, and oil and gas. The group has its manufacturing facilities at Pimpri near Pune (Maharashtra). The group has formed many technological tie-ups under separate joint venture arrangements with large global players such as Spirax Sarco (UK), Krohne Messtechnik GmbH (Germany), Arca Regler GmbH (Germany), Vyncke (Belgium) and Codel International (UK) at various stages of the steam processing value chain.

Rating Strengths

- Established market position in steam engineering and control instrumentation segment, supported by strong technical capabilities and marketing set-up
- Healthy financial risk profile, marked by a healthy net worth, low gearing, and robust debt protection metrics

Rating Weakness

- Exposure to risks related to shifts in technology and cyclical nature of engineering products industry

Outlook: Stable

CRISIL believes that the Forbes Marshall group would maintain its established position in steam engineering and control instrumentation segment supported by strong technical capabilities and marketing set-up. The financial risk profile of the group is also expected to remain healthy on the back of its healthy profitability levels and management's conservative financial policy. The outlook may be revised to 'Positive' if there is a substantial and sustained improvement in the Forbes Marshall group's revenues and profitability margins from the current levels. Conversely, the outlook may be revised to 'Negative' if there is a steep decline in the group's profitability margins from the current levels or there is a deterioration in its financial risk profile on account of large debt-funded capital expenditure.

Key Rating Sensitivity Factors

- Timely commissioning of ongoing expansion project within estimated costs
- Working capital management
- Ability to maintain profitability amid volatile raw material prices

Financial Performance (Not Published)

Fortis Hospitals Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A-		A2+	Stable
Rating History				
14/Dec/2011	A-		A2+	Stable; removed from rating watch with developing implications
21/Sep/2011	A+		A1+	Placed on rating watch with developing implications
14/Jun/2011	A+		A1+	Stable
9/Aug/2010	A+**			Stable

***Initial Bank loan rating assigned*

Company Background:

Fortis Hospitals Limited (FHL) incorporated on June 18, 2009, is a 100 per cent subsidiary of Fortis Healthcare Ltd (Fortis Healthcare). FHL is the legal entity through which Fortis Healthcare acquired the 10 Wockhardt Hospitals in 2009-10 for Rs.9.1 billion. FHL has been consolidated with Fortis Healthcare since December 17, 2009.

FHL, incorporated on February 28, 1996, was promoted by the erstwhile promoters of Ranbaxy Laboratories Ltd: Mr. Malvinder Mohan Singh and Mr. Shivinder Mohan Singh. Fortis Healthcare grew predominantly through acquisitions and has built only three greenfield hospitals (Mohali, Noida and Jaipur), while the rest of the hospitals were acquired over the years. Key acquisitions include the 'Escorts hospitals' for Rs. 5.9 billion in 2005 and the 10 Wockhardt hospitals for Rs.9.1 billion in 2009. Fortis Healthcare raised Rs.5 billion through an initial public offering in April 2007 (primarily to refinance the debt raised for the acquisition of 'Escorts hospitals') and Rs.9.9 billion through a rights issue in September 2009, primarily to mitigate the impact of debt raised for the acquisition of the 10 Wockhardt hospitals.

Rating Strengths

- Healthy and improving business risk profile
- Strategic importance to, and operational and financial linkages with parent, Fortis Healthcare

Rating Weaknesses

- Weak financial risk profile
- Moderate operating profitability

Outlook:Stable

CRISIL believes that FHL will maintain its stable credit profile backed by its improving business risk profile and strategic importance to Fortis Healthcare. Given FHL's strong financial and operational linkages with Fortis Healthcare, the outlook also reflects CRISIL's view that Fortis Healthcare will maintain its financial risk profile over the medium term through accruals from the Indian and international operations. The outlook may be revised to 'Positive' if there is a significant improvement in the Fortis Healthcare's gearing through its proposed deleveraging plans. Conversely, the outlook may be revised to 'Negative' if Fortis Healthcare's financial risk profile weakens due to lower than expected profitability in its Indian and International operations or if there are further debt funded acquisitions.

Key Rating Sensitivity Factors

- Credit risk profile of Fortis Healthcare
- Funding for Fortis Healthcare's acquisitions
- Improvement in FHL's operating profitability

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10*
Net Sales	4079	1099
OPBDIT	515	159
PAT	-463	-142
Tangible Networth	2884	2670
Total Debt	6531	6328
OPBDIT Margins (%)	12.6	14.4
Net Profit Margins (%)	-11.3	-12.9
Interest cover (times)	0.92	0.78
NCA / Total Debt (times)	-0.01	-0.01
Gearing (times)	2.26	2.37
Total Debt / PBDIT (times)	10.42	39.40

**for the period between December 17, 2009 and March 31, 2010*

G R Infraprojects Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Positive
Rating History				
6/Dec/2010	A-		A2+	Positive
7/Nov/2008	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

GR Infraprojects Ltd (GRI), promoted by the Agarwal family and based in Udaipur, has been in the construction industry for more than 40 years. GRI is present in three segments: construction of roads, operating of the 67-km Udaipur-Salumber (State Highway-32) road on a build-operate-transfer (BOT) basis, and manufacture of emulsion and polymer-modified bitumen; these segments accounted for 95 per cent, 3 per cent, and 2 per cent of GRI's 2009-10 revenue, respectively. According to the concession agreement, the Udaipur-Salumber road would be transferred to the public works department (PWD), Rajasthan, in June 2012. The company has installed capacity to manufacture 30,000 tonnes of emulsion and polymer-modified bitumen annually. The company also installed a windmill unit in April 2010, which has a power-generation capacity of 1.25 megawatt (MW).

GRI, in a joint venture with Chetak Enterprises Ltd (Chetak, rated 'CRISIL A (SO), CRISIL BBB/Stable/CRISIL A3+, CRISIL A1 (SO)), incorporated Shillong Expressway in June 2010 in the form of a SPV to undertake an annuity-based BOT project in Meghalaya; GRI owns 74 per cent in the SPV and Chetak owns the remaining 26 per cent in the SPV. The project road length is 50 km and it involves two-laning of the Shillong Bypass connecting National Highway (NH)-40 and NH-44; the cost of the BOT project is Rs.2.5 billion and 75 per cent of the cost will be funded by debt. The construction of the road will start from January 2011 and will be completed by December 2013.

Rating Strengths

- Established track record in road construction
- Healthy financial risk profile
- Healthy revenue visibility

Rating Weakness

- Increasing exposure to large projects, including BOT projects

Outlook: Positive

CRISIL believes that GRI will continue to improve its business risk profile over the medium term, driven by increasing scale of operations with its large order book, increasing geographical diversity, and operating margin maintained at current level. The ratings may be upgraded if GRI maintains its capital structure (despite the expected increase in its exposure to BOT projects), working capital efficiency, and liquidity. Conversely, the outlook may be revised to 'Stable' if the company delays in execution of its projects, or if its capital structure weakens because of more-than-expected debt contracted for its BOT projects or investments made in buying land.

Key Rating Sensitivity Factors

- Sustained order book position
- Investments in real-estate development
- Extent of exposure to BOT projects and its funding model
- Working capital management

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2850	2192	2161
OPBDIT	588	425	490
PAT	370	257	333
Tangible Networth	1159	718	531
Total Debt	237	385	411
OPBDIT Margins (%)	19.9	18.8	21.6
Net Profit Margins (%)	12.6	11.4	14.7
Interest cover (times)	29.26	13.69	31.23
NCA / Total Debt (times)	2.00	0.88	0.98
Gearing (times)	0.20	0.54	0.77
Total Debt / PBDIT (times)	0.39	0.89	0.84

Gabriel India Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
29/Jun/2011	A		A1	Stable
12/Jul/2010	A-		A2+	Stable
18/Jan/2010	BBB+		A2	Stable
14/Oct/2009	BBB		A3+	Stable
19/Mar/2009	BBB		A3	Negative
1/Aug/2008	A-		A2+	Stable

Company Background:

Jointly set up by Gabriel Ride Products and Mr. D C Anand in 1961, Gabriel India Ltd (Gabriel) manufactures ride-control products. The company has manufacturing facilities in Dewas (Madhya Pradesh), Khandsa (Haryana), Hosur (Tamil Nadu), Parwanoo (Himachal Pradesh), and Nashik and Pune (Maharashtra); it has an installed capacity to manufacture 21.3 million units of shock absorbers and struts, and 2.7 million front forks per annum.

Gabriel's clientele includes leading automobile original equipment manufacturers (OEMs) such as Tata Motors Ltd (rated 'CRISIL AA-/Stable/CRISIL A1+' by CRISIL), Ashok Leyland Ltd ('CRISIL AA-/Stable /CRISIL A1+'), Mahindra & Mahindra Ltd ('CRISIL AA+/Stable/CRISIL A1+'), TVS Motor Company Ltd, Hyundai Motor India Ltd ('CRISIL A1+'), Maruti Suzuki India Ltd ('CRISIL AAA/Stable/CRISIL A1+'), and Bajaj Auto Ltd ('CRISIL AAA/FAAA/Stable/CRISIL A1+').

Rating Strengths

- Healthy market position in suspension components segment, with well diversified customer and segmental base
- Benefits from technical collaboration with global players
- Adequate and improving financial risk profile

Rating Weaknesses

- Pricing pressures from OEMs and peers
- Exposure to group companies

Outlook: Stable

CRISIL believes that Gabriel will sustain the steady improvement witnessed in its business and financial risk profiles, despite higher capital expenditure (capex) proposed over the medium term. The outlook may be revised to 'Positive' in the event of better-than-expected revenue growth and cash generation, also translating into healthier debt protection metrics or significant reduction in group company exposures, which are not yielding adequate returns. Conversely, the outlook may be revised to 'Negative' in the event of sluggish growth in Gabriel's revenue and profitability, higher–than-anticipated debt-funded capex or increase in exposure to group companies.

Key Rating Sensitivity Factors

- Offtake by domestic automobile OEMs
- Operating profitability levels
- Larger-than-expected debt-funded capital capex
- Exposure to group companies

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	9613	6975	5252
OPBDIT	882	668	352
PAT	453	240	56
Tangible Networth	1802	1429	1260
Total Debt	1897	1561	1678

OPBDIT Margins (%)	9.1	9.5	6.6
Net Profit Margins (%)	4.7	3.4	1.1
Interest cover (times)	5.28	4.57	1.89
NCA / Total Debt (times)	0.31	0.24	0.09
Gearing (times)	1.05	1.09	1.33
Total Debt / PBDIT (times)	1.89	2.27	3.92

Galaxy Surfactants Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
9/Feb/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its rating, CRISIL has combined the business and financial risk profiles of Galaxy Surfactants Ltd (GSL) and its group entities, Galaxy Chemicals Inc, Galaxy Holdings (Mauritius) Ltd, Galaxy chemicals (Egypt) S.A.E, Rainbow Holdings GmBH (Rainbow), Tri-K Industries Inc (Tri-K), and Maybrook Inc, together referred to as the GSL group.

Incorporated in 1980, the GSL group manufactures, sells, and distributes surfactants and specialty chemicals, which are used as intermediate raw materials in manufacturing home and personal care products. Around 50 per cent of the group's products are exported. The GSL group has a market share of more than 60 per cent in the personal care performance chemicals segment in India.

The GSL group acquired Tri-k on July 01, 2009 through its subsidiary, Rainbow. Tri-K is based in New Jersey, and trades in and distributes cosmetics ingredients and technologies for the global cosmetic and personal care industry. The total investment in Tri-K was Rs.126 million, which was funded by internal accruals. The group aims to increase its market share in the US through this acquisition.

The GSL group is also setting up a sulphonation plant, with a total capacity of 90,000 tonnes per annum, in Egypt. The plant is coming up in two phases over 2010-11 and 2011-12, at a total cost of Rs.2.12 billion.

Rating Strengths

- Established position in surfactants market
- Healthy growth prospects for group's end- user industry
- Above average financial risk profile

Rating Weakness

- Implementation-related risks with respect to upcoming manufacturing unit in Egypt
- Risk relating to customer concentration in its revenue profile

Outlook: Stable

CRISIL believes that the GSL group will continue to benefit from its established market position and strong clientele in both domestic and global markets. The outlook may be revised to 'Positive' in case of significantly higher than expected accruals which could be primarily from the newly set-up facilities under first phase in Egypt and Jhagadia, Gujarat or in case of significant improvement in capital structure through infusion of equity share capital. Conversely, the outlook may be revised to 'Negative' in case of larger than expected debt-funded capital expenditure (capex), or in case of significant time or cost overrun in the remaining phase of capex in Egypt or in case of decline in operating margin, leading to deterioration in its financial risk profile.

Key Rating Sensitivity Factors

- Sustained profit margins
- Future capex and its funding mix
- Successful completion of proposed initial public offering
- Significant cost and time overruns on capex

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	6443	5560	3821
OPBDIT	817	647	519
PAT	360	268	263
Tangible Networth	1508	1140	921
Total Debt	1617	1295	1018
OPBDIT Margins (%)	12.6	11.6	13.6
Net Profit Margins (%)	5.6	4.8	6.9
Interest cover (times)	6.63	3.72	10.74
NCA / Total Debt (times)	0.33	0.32	0.38
Gearing (times)	1.07	1.14	1.11
Total Debt / PBDIT (times)	1.96	2.02	2.02

Gandhi Special Tubes Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		**A1+**	**Stable**
Rating History				
18/Dec/2009	**A+****		**A1+****	**Stable**

***Initial Bank loan rating assigned*

Company Background:

Incorporated in 1985, as Gandhi Special O7 Tubes Ltd, by Mr. Manhar Gandhi and his brother, Mr. Bhupatrai Gandhi, Gandhi Special Tubes Ltd (GSTL) got its current name in 1994. The company manufactures precision-welded and seamless steel tubes of small diameter. GSTL is one of the largest players in its business and caters to original equipment manufacturers (OEMs), as well as their vendors in the refrigeration, auto, and general engineering industries. The company has capacities of 24 million metres per annum (mpa) and 16 million mpa for welded and seamless tubes, respectively, at its plant at Halol (Gujarat). GSTL also manufacturers cold-formed nuts, which are complementary products to its tubes business. The company also has a wind power capacity of 5.35 megawatts (MW).

Rating Strengths

- Established market position and strong bargaining power with customers
- High operating efficiencies
- Strong financial risk profile

Rating Weaknesses

- Modest scale of operations, with high linkage to end-user industries
- Exposure to fluctuations in input prices and foreign exchange rates

Outlook: Stable

CRISIL believes that GSTL will maintain its financial risk profile led by the management's stated policy of zero debt and the company's strong profitability. The outlook may be revised to 'Positive' if GSTL increases its scale of operations substantially, and diversifies its revenue profile, while maintaining its current profitability and capital structure. Conversely, the outlook may be revised to 'Negative' if GSTL's debt protection measures or financial flexibility, in terms of its liquid investments, deteriorate because of any large, unrelated diversification or inorganic growth plans.

Key Rating Sensitivity Factors

- Impact of any slowdown in end-user industries
- Increase in revenue contribution from end-user industries other than automotive and refrigeration
- Extent and funding of future capital expenditure

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	737	562	761
OPBDIT	385	275	309
PAT	253	159	188
Tangible Networth	1015	848	732
Total Debt	-	3	6

OPBDIT Margins (%)	46.7	44.5	39.6
Net Profit Margins (%)	30.7	25.8	24.2
Interest cover (times)	1029.60	352.12	341.24
NCA / Total Debt (times)	-	59.24	33.68
Gearing (times)	-	0.00	0.01
Total Debt / PBDIT (times)	-	0.01	0.02

Ganga Care Hospital Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Stable
Rating History				
24/Apr/2009	A+**			Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Quality Care India Limited (QCIL), QCIL's subsidiaries: Visakha Hospitals and Diagnostics Ltd (VHDL), Ganga Care Hospital Ltd (GCHL), Ramkrishna Care Medical Sciences Pvt Ltd (RCMSPL), Care Institute of Medical Sciences Ltd (Care Institute), Galaxy Care Laparoscopy Institute Pvt Ltd (GCLIPL), Quality Care Medical Excellence Centre Pvt Ltd (QCMECPL), Quality Care Pharma Trading Pvt Ltd (QCPTPL), Care Health Clinics Pvt Ltd (CHCPL); and associate and joint venture (JV), Quality Care Health City Pvt Ltd (QCHPL), and Quality Care Health Services India Pvt Ltd (QCHSPL). The entities are collectively referred to as the Care group.

The Care group was set up in 1997 by cardiologists, Dr. B Soma Raju and Dr. N Krishna Reddy. The Care group's first venture was the Care Heart Centre at Hyderabad, with a capacity of 100 beds. Over the years, the group has spread to various locations across India; its facilities have a combined capacity of 1613 beds. The group has a presence in Vizag, Surat, Nagpur, Pune, Raipur and Bhubaneswar, besides its significant presence in Hyderabad. The group provides tertiary healthcare services in multi-specialty areas, with primary focus on cardiac healthcare, through healthcare centres under QCIL, VHDL, GCHL, and RCMSPL. GCHL operates the hospital in Nagpur, RCMSPL in Raipur and VHDL in Vizag. The remaining hospitals are under QCIL. QCIL holds 100 per cent stake in VHDL, 61.69 per cent in GCHL, and 72.72 per cent in Care Institute. RCMSPL, promoted by Dr. Sandeep Dave, is a Raipur-based hospital which began operations in 1998. On April 6, 2007, the Care group acquired and continues to hold 50 per cent stake in RCMSPL. In 2008-09, QCIL acquired 57.86 per cent of the equity share capital of GCLIPL.

Rating Strengths

- Established market position
- Healthy operating capabilities
- Healthy financial risk profile

Rating Weaknesses

- Exposure to stiff competition in healthcare industry
- Weak performance of subsidiaries

Outlook: Stable

CRISIL believes that the Care group will maintain strong revenue growth, driven by significant additions to capacity. While the group's operating profitability will remain constrained due to additions to infrastructure, and losses in subsidiaries, gearing and debt protection measures would remain comfortable over the medium term. The outlook may be revised to 'Positive' if the loss-making entities turnaround. Conversely, the outlook may be revised to 'Negative' if the group undertakes more debt than anticipated to fund its capital expenditure (capex) thereby weakening its capital structure, or if its business risk profile is adversely impacted by delay in stabilisation of operations at its new facilities.

Key Rating Sensitivity Factors

- Capex and acquisition plans, and their funding mix
- Operational stability of new projects
- Performance of subsidiaries

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3817	3256	2499
OPBDIT	417	373	264
PAT	49	98	(4)
Tangible Networth	1602	1588	1499
Total Debt	1153	1223	1128
OPBDIT Margins (%)	10.8	11.4	10.5
Net Profit Margins (%)	1.3	3.0	(0.2)
Interest cover (times)	3.38	2.93	2.64
NCA / Total Debt (times)	0.19	0.18	0.15
Gearing (times)	0.72	0.77	0.75
Total Debt / PBDIT (times)	2.71	3.13	3.93

Gayatri Jhansi Roadways Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-(SO)			Stable
Rating History				
28/Jan/2011	A-(SO)			Stable
17/Nov/2009	BB(SO)			Negative
19/Feb/2009	BB+(SO)**			Stable

***Initial Bank loan rating assigned*

Company Background:

Gayatri Jhansi Roadways Ltd (GJRL) is a special purpose vehicle (SPV) promoted by Gayatri Projects Ltd (GPL; 51 per cent ownership in GJRL) and Infrastructure Development Finance Company Ltd (IDFC; 49 per cent) to design, develop, construct, operate, and maintain a 49.7 km stretch of road between Jhansi and Lalitpur, on National Highways 25 and 26 (NH-25 and NH-26) on build-own-operate (BOO) basis. The project road, named UP2, starts from 88.5 km of the Shivpuri-Jhansi road (NH-25) and ends at 49.7 km of NH-26. The project involves strengthening and widening of the existing two-lane highway, construction of two additional lanes, and provision of service roads in specific urban and semi-urban areas to cater to local traffic.

The project was awarded under the National Highway Development Project II (NHDP-II) for an annuity of Rs.299.5 million payable semi-annually by National Highway Authority of India (NHAI, rated 'CRISIL AAA/Stable') to the consortium of IDFC and GPL. NHAI has a 20-year concession agreement with the consortium, with GJRL as the concessionaire, for implementation, operation, and maintenance of the project. The annuity will be deposited in an escrow account and appropriations from the escrow account will be as per the concession agreement.

The original project cost was Rs.4.22 billion which was revised to Rs.4.90 billion due to delay in land availability for construction of road. The project was to be completed by September 2009, as per the concession agreement. The construction of 40.690 km of the road has been completed, and the company has received a provisional completion certificate dated June 11, 2010 for the same.

Rating Strengths

- Strong credit profile of the counterparty, NHAI
- Annuity payments despite partial completion of the project

Rating Weaknesses

- Risks related to project completion
- Project's low debt service coverage ratio (DSCR), owing to cost escalation

Outlook: Stable

CRISIL believes that GJRL will complete its ongoing project without any further time overrun. The outlook may be revised to 'Positive' if GJRL completes the project before 10 months of receipt of unencumbered land or receives additional annuity in the form of bonus. Conversely, the outlook may be revised to 'Negative' in case of fresh time and cost overruns in the project.

Key Rating Sensitivity Factors

- Achievement of commercial operation date for the full stretch
- Further extent and funding of cost overruns
- Receipt of annuity and bonus from NHAI

Financial Performance (Not Published)

Gayatri Lalitpur Roadways Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-(SO)			Stable
Rating History				
28/Jan/2011	A-(SO)			Stable
17/Nov/2009	BB(SO)			Negative
19/Feb/2009	BB+(SO)**			Stable

***Initial Bank loan rating assigned*

Company Background

Gayatri Lalitpur Roadways Limited (GLRL) is a special purpose vehicle (SPV) promoted by Gayatri Projects Ltd (GPL; 51 per cent ownership in GLRL) and Infrastructure Development Finance Company Ltd IDFC (49 per cent) to design, develop, construct, operate, and maintain a road stretch of 49.30 kms on National Highway 26 (NH-26) in Uttar Pradesh (UP). The project involves strengthening and widening of the existing two-lane highway, construction of two additional lanes, and provision of service roads in specific urban and semi-urban areas to cater to local traffic.

The project was awarded under the National Highway Development Project II (NHDP-II) for an annuity of Rs.239.5 million payable semi-annually by the National Highways Authority of India (NHAI, rated 'CRISIL AAA/Stable') to the consortium of IDFC and GPL. NHAI has a 20-year concession agreement with the consortium, with GLRL as the concessionaire, for implementation, operation, and maintenance of the road stretch. The annuity will be deposited in an escrow account and appropriations from the escrow account will be as per the concession agreement.

The original project cost was Rs.3.13 billion, which was revised to Rs.3.66 billion due to delay in land availability. The project was originally expected to be completed by September 30, 2009, as per the concession agreement. The construction of road on 47.955 km was completed and GLRL received provisional completion certificate for the completed portion on July 31, 2010.

Rating Strengths

- Strong credit profile of the counterparty, NHAI
- Annuity payments despite partial completion of the project

Rating Weaknesses

- Risks related to project completion
- Project's low debt service coverage ratio (DSCR), owing to cost escalation

Outlook: Stable

CRISIL believes that GLRL will complete its ongoing project without any further time overrun. The outlook may be revised to 'Positive' if GLRL completes the project before the scheduled completion date or receives additional annuity in the form of bonus. Conversely, the outlook may be revised to 'Negative' in case of fresh time and cost overruns in the project.

Key Rating Sensitivity Factors

- Achievement of commercial operation date for the full stretch
- Further extent and funding of cost overruns
- Receipt of annuity and bonus from NHAI

Financial Performance (Not Published)

Geltec Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
4/Aug/2009	A+**		A1+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at the rating, CRISIL has combined the business and financial risk profiles of Universal Medicare Pvt. Ltd (UMPL), its subsidiary Geltec Pte Ltd (GPte) and Geltec Pharmcare FZCO (GPZ), and its group company, Geltec Pvt Ltd (GPL), collectively referred to as the Universal Group. The Universal group started operations by marketing the UK-based Seven Seas' cod liver oil in India. Subsequently, UMPL introduced its own products to build a portfolio of drugs focused on the nutraceutical and lifestyle segments. The group is also engaged in contract manufacturing for pharmaceutical companies, which will become the mainstay of the group's revenues after the sale of its brand portfolio to Aventis Pharma Ltd (APL, part of the Sanofi-Aventis group). In the contract manufacturing segment, the group specialises in manufacturing softgel capsules, which are soft-gelatine shells in which medicines in liquid or semi-liquid form are encapsulated. The group has two manufacturing units, in Sarigam (Gujarat) and Bengaluru (Karnataka).Geltec Pharmacare FZCO, Dubai – The Company is owned by Geltec Singapore Pte (50%) and UMPL (50%). The company serves as the sales and marketing office for GPL. Geltec Singapore Pte Ltd is the holding company for the group's Dubai subsidiary and is a 100% subsidiary of UMPL.

Rating Strengths

- Strong financial risk profile driven by ample liquidity
- Established position in contract manufacturing for pharmaceutical industry

Rating Weaknesses

- Expected weakening in business risk profile on account of discontinuation of the neutraceutical marketing business
- Small scale of operations with limited revenue diversity

Outlook: Stable

CRISIL believes that the Universal group will maintain its strong financial risk profile over the medium term supported by stable and robust cash inflows from the sale of brand portfolio and will maintain its established market position in the contract manufacturing business. The outlook may be revised to 'Positive' if the group increases its revenues significantly by successfully deploying the cash generated from the aforementioned transaction into related businesses, while maintaining its profitability and capital structure. Conversely, the outlook may be revised to 'Negative' in case of sharper than expected decline in the group's revenues, most likely due to default by UMPL on the contract terms with APL, or if the group contracts more-than-expected debt for any capital expenditure (capex) programme or acquisition.

Key Rating Sensitivity Factors

- Improvement in scale of operations
- Adherence to performance contracts leading to timely cash inflow from counterparty to which neutraceuticals business has been sold
- Future capex or acquisition and their funding thereof

Financial Performance (GPL)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	708	609	567
OPBDIT	182	186	150
PAT	103	107	98
Tangible Networth	512	409	365
Total Debt	28	57	95

OPBDIT Margins (%)	22.7	26.0	23.1
Net Profit Margins (%)	12.9	15.0	15.1
Interest cover (times)	32.34	17.92	
NCA / Total Debt (times)	4.40	2.34	1.07
Gearing (times)	0.06	0.14	0.26
Total Debt / PBDIT (times)	0.15	0.29	0.57

Geojit Credits Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A1	Stable
Rating History				
11/Oct/2011	A-	-	A1	Stable
15/Dec/2008	-	-	A1	

Company Background:

For arriving at its rating, CRISIL has combined the business and financial risk profiles of Geojit Credits Private Ltd (GCPL), its holding company Geojit BNP Paribas Financial Services Ltd (GBPFSL; rated 'CRISIL A1') and GBPFSL's subsidiaries (collectively referred to, herein, as the Geojit group). The other group companies include Geojit Investment Services Ltd (GISL; formerly Geojit Commodities Ltd), Geojit Technologies Pvt Ltd, Geojit Financial Distribution Pvt Ltd, and Geojit Financial Management Services Pvt Ltd. GBPFSL, the flagship company of the Geojit group, is into retail broking and third-party product distribution.

GBPFSL, the flagship company of the Geojit group, was founded in 1987. In March 2007, BNP Paribas (rated 'AA/Negative/A-1+' by Standard & Poor's), the French banking major, acquired 27.18 per cent of GBPFSL and subsequently increased its shareholding; it had 33.6 per cent stake as on March 31, 2011. The Geojit group offers services such as retail broking, depository, equity research, portfolio management, third-party product distribution, loan against shares (LAS), and financing against warehouse receipts. As on March 31, 2011, the Geojit group had 555 offices (includes both branches and franchisees) across India, and over 0.59 million clients. The group has also promoted broking joint ventures in Dubai and Saudi Arabia for offering various services, including equity broking in Indian and international capital markets, and depository services. The group has a joint venture with BNP Paribas, BNP Paribas Securities India Pvt Ltd (BPSIPL; rated 'CRISIL AA-/Stable'), which offers institutional broking services.

Rating Strengths

- Adequate capitalisation levels
- Benefits arising from association with BNP Paribas

Rating Weaknesses

- Uncertainties inherent in group's core business of equity broking
- Average market position in core business segment of retail broking

Outlook:Stable

CRISIL believes that the Geojit group will maintain its capitalisation and continue to derive benefits from its association with BNP Paribas over the medium term. The outlook may be revised to 'Positive' if the group's market position and earnings profile improve significantly. Conversely, the outlook may be revised to 'Negative' if the group's capitalisation and earnings profile deteriorate considerably. Further, any significant change in BNP Paribas' ownership in GBPFSL or change in CRISIL's view on the support extended by BNP Paribas to the Geojit group may impact the rating.

Key Rating Sensitivity Factors

- Any unexpected and material decline in capitalisation levels
- Improvement in group's market position in equity broking segment
- Extent of ownership by, and support from, BNP Paribas

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Total Income	2810	3032	1911
PAT	290	462	403
Networth	4081	3936	3305
Total Assets	6769	7271	6121

Broking Income/Total Income (%)	72.2	76.5	68.4
Operating Expenses/ Total Income (%)	81.0	73.8	91.9
PAT / Average Networth (%)	7.2	12.8	13.6

Gharda Chemicals Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
19/May/2011	A+		A1+	Stable
18/Jun/2008	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Gharda Chemicals Limited (GCL) and its subsidiary, Gujarat Insecticides Ltd (GIL; rated 'CRISIL A/Stable/CRISIL A1'). GCL was incorporated in 1967; the company took over the business of a partnership firm set up by its promoters to manufacture dyes and dye intermediaries. The company diversified into agrochemicals in the late 1970s. Dr. Keki Gharda, GCL's chairman and managing director, is a scientist by training and is with the company since its inception. GCL is engaged in two businesses: agrochemicals and pigments. Exports account for about 50 per cent of the company's sales.

Rating Strengths

- Leading agrochemicals manufacturer, with diversified product portfolio and geographical presence
- Strong process-development capabilities
- Strong financial risk profile

Rating Weaknesses

- Lack of access to new products, unlike multi-national corporation competitors
- Working-capital-intensive operations, vulnerability of margins to fluctuations in raw material prices, and declining demand of products

Outlook: Stable

CRISIL believes that GCL will maintain its strong business risk profile over the medium term. The outlook may be revised to 'Positive' if GCL registers higher-than-expected growth in revenue while sustaining its margins at the current levels. Conversely, the outlook may be revised to 'Negative' in case GCL's margins decline significantly, or if the company contracts a larger-than-expected quantum of debt to fund its capital expenditure (capex).

Key Rating Sensitivity Factors

- Succession planning or changes in ownership
- Working capital management
- Fresh, large, highly debt-funded capex, or research and development (R&D) activity

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	8970	8410	7304
OPBDIT	1610	1727	785
PAT	764	649	91
Tangible Networth	6142	5415	4694
Total Debt	3018	1994	2312

OPBDIT Margins (%)	17.4	19.9	10.4
Net Profit Margins (%)	8.3	7.5	1.2
Interest cover (times)	9.89	4.85	5.16
NCA / Total Debt (times)	3.45	0.52	0.23
Gearing (times)	0.05	0.37	0.49
Total Debt / PBDIT (times)	0.18	1.13	2.74

Gherzi Eastern Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
18/May/2011	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background

Gherzi Eastern Ltd (GEL), incorporated in 1960, was started as a joint venture between Nusli Wadia group and Zurich (Switzerland)-based Gherzi AG, is engaged in design consultancy services for industrial, commercial and infrastructure projects covering sectors such as textiles, hotels, commercial buildings, bridges, roads, and highways. As on March 31st, 2011, Gherzi AG and Wadia group, held 43.16 per cent and 56.81 per cent of GEL's shares respectively, while a small fraction is held by GEL's employees. Currently, Mr. Ness Wadia – son of Mr. Nusli Wadia, is a director in GEL. The company has a pool of more than 400 consultants. The day to day operations of GEL are managed by Mr. Asim Tewari who oversees overall operations.

Rating Strengths

- Established market position in design consultancy industry and a diversified clientele base
- Comfortable financial risk profile marked by healthy capital structure and comfortable debt protection metrics

Rating Weakness

- Susceptibility of operating performance to the progress of execution of ongoing projects

Outlook: Stable

CRISIL believes that GEL will benefit from its established position in the design consulting sector, backed by its healthy order book. The outlook may be revised to 'Positive' in case GEL reports significant and sustained increase in its revenues and accruals while maintaining its gearing and working capital cycle. The outlook may be revised to 'Negative' in case of slowdown in the order flow, affecting GEL's revenue growth, or in case of significant stretch in the receivables, leading to significant deterioration in its debt protection metrics.

Key Rating Sensitivity Factors

- Working capital management
- Quantum of design-and-build contracts

Financial Performance (Not Published)

GKC Projects Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Positive
Rating History				
27/Jan/2011	A-		A2+	Positive
23/Feb/2010	A-		A2+	Stable
24/Jun/2008	BBB+		A2+	Stable
23/May/2008			A2+**	

***Initial Bank loan rating assigned*

Company Background:

Gokul Krishna Constructions commenced operations as a proprietorship firm in 1996. With the increase in scale of operations, the firm was reconstituted as a private limited company, Gokul Krishna Constructions Pvt Ltd (GKCPL) in 2004. In 2008, GKCPL became a public limited company and got its present name. Based in Hyderabad (Andhra Pradsh), GKC Projects Ltd (GKC) is ISO 9001:2000 certified, and has a presence in four verticals: highways, irrigation, urban water supply, and civil construction. GKC owns 40 per cent stake in Hyderabad Yadigiri Tollways Pvt Limited, a special purpose vehicle (SPV), while Sadbhav Engineering Limited owns the rest. GKC has implemented projects in eight Indian states.

Rating Strengths

- Healthy revenue growth, supported by strong order book
- Strong financial risk profile

Rating Weaknesses

- Large working capital requirements
- Susceptibility to intense competition in infrastructure construction industry

Outlook: Positive

CRISIL believes that GKC will continue to benefit over the medium term from its healthy order book and strong execution skills. The company's financial risk profile is also expected to improve during this period because of increasing cash accruals. The rating may be upgraded if the company sustains its revenue growth and profitability over the medium term, while improving its capital structure and maintaining its working capital intensity. Conversely, the outlook may be revised to 'Stable' if there are time and cost overruns in GKC's ongoing and future projects, decline in its profitability, or increase in its investments in its SPV, leading to weakening in its financial risk profile.

Key Rating Sensitivity Factors

- Timely and efficient implementation of projects
- Slowdown in infrastructure growth
- Additional equity infusion
- Timely realisation of receivables
- Susceptibility to large toll-based built-operate-transfer projects

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	9,095	7,932	4,312
OPBDIT	1,403	1,023	580
PAT	524	448	284
Tangible Networth	2,100	1,553	638
Total Debt	3,392	1,729	597

OPBDIT Margins (%)	15.4	12.9	13.4
Net Profit Margins (%)	5.7	5.6	6.6
Interest cover (times)	3.74	4.62	4.61
NCA / Total Debt (times)	0.21	0.31	0.58
Gearing (times)	1.62	1.11	0.94
Total Debt / PBDIT (times)	2.46	1.66	1.01

Glenmark Generics Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
9/Mar/2011	A+		A1	Stable
4/Jun/2009	A+		A1	Negative
9/Mar/2009	AA-		A1+	Stable
16/Dec/2008	AA-**			Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Glenmark Generics Ltd (GGL) with those of its subsidiaries. The rating also factors in the business and financial support that GGL derives from its parent, Glenmark Pharmaceuticals Ltd (GPL; rated 'CRISIL A+/Stable/CRISIL A1').

GGL is a 96.93 per-cent subsidiary of GPL; the parent transferred its generics and active pharmaceutical ingredients (API) businesses to GGL in April 2008. GGL develops, manufactures, and markets generics through wholesalers, retailers, and pharmacy chains. It markets finished-dose formulations in Europe, Argentina, and the US; and APIs in more than 80 countries through an established group of subsidiaries in North America, the European Union, and Argentina. At present, it has 69 products in the US generics market and a robust pipeline of around 44 abbreviated new drug applications (ANDAs) awaiting approval. GGL has manufacturing facilities at Ankleshwar (Gujarat), Kurkumbh and Mohol (Maharashtra) and Goa. The company also has a research and development (R&D) unit in Navi Mumbai for bioavailability and bioequivalence studies.

Rating Strengths

- Growing presence in international generics market
- Strong profitability and financial flexibility
- Support from GPL

Rating Weaknesses

- Exposure to intense competition in US generics market
- Late entry in lucrative regulated markets
- Large working capital requirements

Outlook: Stable

CRISIL believes that GGL will continue to receive support from GPL. The outlook may be revised to 'Positive' if there is a similar revision in the rating outlook on GPL. Conversely, the outlook may be revised to 'Negative' if GGL's capital structure and debt protection metrics weaken because of larger-than-expected debt-funded capital expenditure (capex), or if there is a similar revision in the rating outlook on GPL.

Key Rating Sensitivity Factors

- Performance of generic formulations in new geographies
- Size and funding pattern of acquisitions/capex
- Credit risk profile of GPL

Financial Performance (Not Published)

Glenmark Pharmaceuticals Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
9/Mar/2011	A+		A1	Stable
4/Jun/2009	A+		A1	Negative
17/Oct/2008	AA-**		A1+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Glenmark Pharmaceuticals Ltd (Glenmark) and Glenmark Generics Ltd (GGL, rated 'CRISIL A+/Stable/CRISIL A1'). Incorporated as a public limited company in 1977 by Mr. Gracias Anthony Saldanha, Glenmark manufactures and markets pharmaceutical formulations and active pharmaceutical ingredients (APIs). The company also conducts research and development (R&D) on NCEs. It has manufacturing facilities in Nashik, Sholapur, and Pune in Maharashtra; Ankleshwar in Gujarat; Bardez in Goa; and Solan in Himachal Pradesh.

Rating Strengths

- Strong position in domestic chronic therapeutic segments
- Growing presence in international generics market
- Ready pipeline of new chemical entities (NCEs) and new biological entities (NBEs)

Rating Weaknesses

- Large but improving working capital requirements, capital-intensive growth plans, and unfavourable debt structure
- Segmental concentration in revenues from domestic market
- Exposure to intense competition in US generics market

Outlook: Stable

CRISIL believes that Glenmark will continue to generate healthy cash accruals, resulting in a stable financial risk profile, over the medium term. CRISIL also believes that with the improvement in capital structure, the company will comfortably refinance its upcoming debt repayments and will take steps to further improve its working capital management. The outlook may be revised to 'Positive' if Glenmark significantly improves its business risk profile, reflected in substantial improvement in its operating margin, or if there is marked improvement in its capital structure. While the revision of outlook back to 'Negative' appears unlikely, it could occur in case there is substantial decline in Glenmark's cash accruals or if there is significant deterioration in the company's working capital management leading to a larger-than-expected debt requirement.

Key Rating Sensitivity Factors

- Performance of branded and generic formulations in new markets
- Extent of debt funding of capital expenditure and acquisitions
- Future trends with regards to working capital requirements and reliance on short-term debt

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	24124	20,402	19,340
OPBDIT	4771	4,427	7,656
PAT	1900	53	5,091
Tangible Networth	18379	11,411	12,665
Total Debt	18640	23,698	9,879
OPBDIT Margins (%)	28.4	21.3	39.3
Net Profit Margins (%)	7.7	0.3	26.2
Interest cover (times)	3.13	3.44	8.56
NCA / Total Debt (times)	0.22	0.09	0.62
Gearing (times)	1.01	2.08	0.78
Total Debt / PBDIT (times)	2.70	5.08	1.23

Global Coal and Mining Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
17/Sep/2010	A+		A1	Stable
1/Oct/2009	A		A1	Positive
14/Aug/2008	A**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of ACB India Ltd (ACBIL) and ACBIL's subsidiaries, Spectrum Coal and Power Limited (SCPL), Aryan Energy Pvt Ltd (AEPL), Aryan Clean Coal Technologies Pvt Ltd (ACCTPL) and Kartikay Coal Washeries Pvt Ltd (KCWPL). CRISIL has also combined the business and financial risk profiles of group company Global Coal and Mining Pvt Ltd (GCMPL). All these entities are together referred to as the Aryan group. CRISIL has not combined the financial and business risk profile of Aryan Ispat and Power Pvt Ltd (AIPPL) from 2011-12 onwards, as ACBIL has sold off its stake in AIPPL in April 2011. CRISIL has moderately combined the business and financial risk profiles of ACBIL's special-purpose vehicles (SPVs) formed to execute its power generation projects — TRN Energy Pvt Ltd (TRN), Aryan MP Power Generation Pvt Ltd (Aryan MP), Aryan Chhattisgarh Power Generation Pvt Ltd (ACPGPL), Maruti Clean Coal and Power Ltd (Maruti), and Spectrum Power Generation Ltd (SPGL).

Promoted by Captain K S Solanki in 1988, GCMPL is primarily into coal beneficiation. GCMPL has coal washing plants in Talcher (Orissa; capacity of 3 million tonnes per annum [mtpa]); IB Valley (Orissa; 3.5 mtpa); Ramagundam (Andhra Pradesh [AP]; 1.0 mtpa); and Manuguru (AP; 1.0 mtpa). GCMPL obtains raw coal from subsidiaries of Coal India Ltd (rated 'CRISIL CCR AAA; CRISIL AAA/Stable/CRISIL A1+') on behalf of its customers (power plants), which require beneficiation of coal to reduce the ash content.

Rating Strengths

- Established position of GCMPL in coal washery business
- Sound financial risk profile
- Support from ACBIL being part of Aryan Group

Rating Weakness

- Expected deterioration in financial risk profile due to large capital expenditure (capex) plans at group level

Outlook: Stable

CRISIL's ratings on GCMPL's bank facilities will continue to be supported by the credit risk profile of the Aryan group, over the medium term. CRISIL believes that the Aryan group will generate healthy cash accruals over the medium term, supported by its established market position in the coal beneficiation sector, strong operating efficiencies, and healthy demand from its end–user, the power generation industry. The group's profitability is likely to improve because of commencement of operations at its upcoming coal-reject-based power plant. The outlook may be revised to 'Positive' if GCMPL improves its utilisation level at its washeries, resulting in more-than-expected sales and profitability at the standalone level, and if the Aryan group also reports more-than-expected sales and profitability. Conversely, the outlook may be revised to 'Negative' in case the Aryan group's financial risk profile deteriorates significantly, driven most likely by more-than-expected debt contracted or lower-than-expected sales and profitability for GCMPL.

Key Rating Sensitivity Factors

- Renewal of existing contracts with clients
- Capex plans and their funding
- Investments in, and loans and advances to, group companies

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1689	1156	804
OPBDIT	626	391	251
PAT	249	153	-9
Tangible Networth	1700	1461	1308
Total Debt	466	671	510
OPBDIT Margins (%)	36.7	33.4	30.6
Net Profit Margins (%)	14.7	13.1	-1.1
Interest cover (times)	7.96	6.0	3.9
NCA / Total Debt (times)	0.88	0.39	0.46
Gearing (times)	0.27	0.45	0.39
Total Debt / PBDIT (times)	NP	NP	NP

Gloster Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
20/Mar/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background

Incorporated in 1992, Gloster Limited (Gloster) manufactures jute and jute products at its factory in Howrah (West Bengal). The company, promoted by the Bangur family, has been listed on the Bombay Stock Exchange since May 2008. Gloster produces jute bags, geo-textiles, jute carpets, jute yarn, non-woven jute felts, hydrocarbon-free jute bags, and other value-added products. The company also exports its products to countries such as the US, the UK, Australia, and Thailand.

Rating Strengths

- Diversified product profile
- Strong financial risk profile

Rating Weaknesses

- Exposure to risk from regulated nature of the jute industry and easy availability of cheaper substitutes
- Demand slowdown in the overseas market

Outlook: Stable

CRISIL believes that Gloster will maintain a strong financial risk profile over the medium term, on the back of healthy cash accruals and debt protection metrics. The outlook may be revised to 'Positive' if Gloster generates a sustainable increase in its operating margin, while maintaining its revenue growth. Conversely, the outlook may be revised to 'Negative' if the company's financial risk profile deteriorates as a result of larger-than-expected, debt-funded capital expenditure (capex), or in case of any adverse change in the Government of India's policy relating to the jute sector.

Key Rating Sensitivity Factors

- Improvement in operating margins
- Aggressive debt-funded capex plans
- Change in regulations regarding jute industry

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1,919	1638	1562
OPBDIT	225	218	261
PAT	97	91	109
Tangible Networth	592	512	437
Total Debt	270	308	328

OPBDIT Margins (%)	11.5	12.9	16.5
Net Profit Margins (%)	5.0	5.4	6.9
Interest cover (times)	11.27	12.95	6.11
NCA / Total Debt times)	0.49	0.41	0.46
Gearing (times)	0.46	0.60	0.75
Total Debt / PBDIT (times)	1.20	1.42	1.22

Graviss Hospitality Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
18/Mar/2009	A-**			Stable

***Initial Bank loan rating assigned*

Company Background:

Incorporated in 1959, Graviss Hospitality Limited (GHL) (formerly The GL Hotels Ltd) manages the InterContinental Hotel at Marine Drive in Mumbai and two banquet facilities under the Mayfair brand, one at Worli (Mumbai) and the other at NIBM Road (Pune). Over the past two years, the company closed five of its banquet facilities—at Vashi (Mumbai), Nagar Road (Pune), SG Road (Ahmedabad), Basavangudi (Bengaluru), and Gurgaon.

GHL is constructing hotels in Goa, Jaipur, and Alibaug (120 rooms each in Goa and Jaipur, and 35 rooms in Alibaug) at a total estimated cost of Rs.2.0 billion. The land for the hotels has been acquired and construction is in the early stages; the hotels are expected to commence operations before June 2012. The company has cancelled its plans of constructing hotels in Bengaluru and Shirdi.

Rating Strengths

- Strong operational performance, benefiting from association with InterContinental brand
- Revenue diversity provided by banqueting business through Mayfair brand
- Healthy financial risk profile

Rating Weaknesses

- Exposure to project implementation risk for new hotels
- Vulnerability to cyclicality in hospitality industry

Outlook: Stable

CRISIL believes that GHL will continue to benefit from its focus on the premium segment and continued tie-up with the InterContinental group, over the medium term. The outlook may be revised to 'Positive' in case of a substantial increase in the company's revenues and operating margin, driven by increase in revenue per available room and decline in operating costs. Conversely, the outlook may be revised to 'Negative' in case of any time or cost overruns in the commencement of the planned new hotels or its revenues are lower-than-expected, thereby adversely affecting the company's financial risk profile and debt servicing ability.

Key Rating Sensitivity Factors

- Construction of planned new hotels within scheduled time and budgeted cost
- Relationship with InterContinental Hotels group

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	648	714	641
OPBDIT	152	170	236
PAT	31	97	74
Tangible Networth	1,720	1,698	1,621
Total Debt	194	310	329
OPBDIT Margins (%)	23.3	23.6	36.7
Net Profit Margins (%)	4.7	13.4	11.6
Interest cover (times)	6.40	6.17	8.48
NCA / Total Debt (times)	0.33	0.52	0.31
Gearing (times)	0.11	0.18	0.2
Total Debt / PBDIT (times)	1.39	1.93	1.31

Green Gas Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Negative
Rating History				
14/Dec/2010	A-		A2+**	Negative
7/Jul/2009	A-**			Stable

Company Background:

Incorporated in 2005, Green Gas Ltd (GGL) is a Joint Venture between GAIL (India) Ltd (GAIL, rated 'CRISIL AAA/Stable') and Indian Oil Corporation Ltd (IOCL, rated 'CRISIL AAA/Negative/CRISIL A1+'). GGL was formed under the directives of the Ministry of Petroleum and Natural Gas to roll out the City Gas Distribution project in Agra and Lucknow. GGL has been dispensing compressed natural gas (CNG) since April 2006. The company's compression facilities in Lucknow were scaled up to 90,000 kilograms per day (kg/day) in 2009-10 from, 45,000kg/day in 2008-09; compression capacity in Agra remained unchanged at 30,000 kg/day.

The company had planned for the installation of four online stations in Lucknow and two in Agra, and one mother station each in Lucknow and Agra in 2009-10. GGL was also to complete the laying of 84 inch-kilometres (inch-kms) of steel pipeline in Agra and 517 inch-kms in Lucknow by 2009-10, in addition to setting tap-off points. In 2009-10, however, there was a delay in receiving equity contribution of around Rs.500 million, as three of the initial equity partners backed out. Due to this, the banks did not release the remaining portion of the sanctioned term loan. The majority of the plans for 2009-10 were, therefore, not executed.

Rating Strengths

- Monopoly in CNG distribution in Agra
- Favourable gas-supply dynamics
- Managerial and technical support from promoters, GAIL and IOCL

Rating Weaknesses

- Funding and implementation risk associated with large capital expenditure (capex) plans
- Exposure to risk related to adverse changes in government regulations

Outlook: Negative

CRISIL believes that the delays in execution of GGL's capex plans would restrict its scale of operations and cash accruals in the near term. The rating may be downgraded in case of further significant time or cost overruns, which could result in debt repayment pressures on the company. Conversely, the outlook may be revised to 'Stable' upon timely receipt of equity and debt funding which would lead to timely execution of GGL's capacity expansion project. Higher than expected off-take in GGL's CNG commercial and piped natural gas (PNG) operations (once commissioned) would also lead to revision in outlook to 'Stable'.

Key Rating Sensitivity Factors

- Further significant time and cost overruns in planned capex
- Changes in regulatory framework
- Timing and funding mix of company's ongoing and future expansion projects

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	607	478	357
OPBDIT	151	114	91
PAT	81	57	52
Tangible Networth	639	405	180
Total Debt	270	270	222
OPBDIT Margins (%)	24.8	23.9	25.5
Net Profit Margins (%)	13.4	11.9	14.6
Interest cover (times)	17.23	12.86	28.24
NCA / Total Debt (times)	0.38	0.28	0.33
Gearing (times)	0.42	0.67	1.23
Total Debt / PBDIT (times)	1.76	2.38	2.42

Greenage Griha Nirman Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
4/May/2011	A			Stable
30/Sep/2008	BBB+			Stable

Company Background:

For arriving at its ratings, CRISIL has combined the financial and business risk profiles of 35 entities, including Greenage Griha Nirman Pvt Ltd, together referred to as the Salarpuria-Sattva group.

The group was founded by the late Mr. G. D. Salarpuria in 1986 in Kolkata. Currently, the group is being managed by Mr. Bijay Agarwal, who is the managing director. The group has been involved in construction and development of real estate for the past 25 years. Salarpuria Properties Pvt Ltd and Sattva Developers Pvt Ltd are the two flagship companies of the group, with 33 other group entities actively engaged in the real estate business. The group has an ISO 9001:2000 certification. Till date, the group has completed 71 real estate projects (mainly commercial) in Bengaluru. The group is shifting its focus to residential real estate sector from being a predominantly commercial real estate player. It has also entered in Kolkata, Hyderabad, Mysore, Pune, and Visakhapatnam markets, by acquiring some parcel of land which it plans to develop over medium term.

Rating Strengths

- Healthy financial risk profile marked by comfortable capital structure and high financial flexibility because of large portfolio of leased assets
- Strong brand name, and good track record, in Bengaluru real estate market

Rating Weaknesses

- Revenue concentration in information technology (IT) and IT-enabled services (ITeS) sectors
- Risks and cyclicality inherent in real estate sector

Outlook: Stable

CRISIL believes that the Salarpuria-Sattva group will maintain its strong market position in the Bengaluru real estate market, given its established track record. The outlook may be revised to 'Positive' in case of a significant increase in the group's revenues and geographic diversification, leading to improvement in its business risk profile. Conversely, the outlook may be revised to 'Negative' if the saleability of the group's projects is below expectation, resulting in weakening in its financial risk profile, or if the group makes sizeable investments in unrelated businesses.

Key Rating Sensitivity Factors

- Significant increase in debt funding of projects
- Investments in unrelated businesses
- Successful completion of projects

Financial Performance (Consolidated)

Rupees Billion	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1.04	3.27	0.57
OPBDIT	2.12	2.93	1.62
PAT	1.03	1.57	0.67
Tangible Networth	13.17	12.14	10.33
Total Debt	4.47	4.89	7.14

OPBDIT Margins (%)	70	56.9	70
Net Profit Margins (%)	34.1	30.5	28.8
Interest cover (times)	4.3	4.9	2.4
NCA / Total Debt times)	0.32	0.43	0.12
Gearing (times)	0.34	0.4	0.69
Total Debt / PBDIT (times)	3	4.3	3.5

Groz Engineering Tools Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
30/Apr/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Groz Engineering Tools Pvt Ltd (GETPL) incorporated in 1999 by Mr Anil Bammi and his son Mr Dhiren Bammi, manufactures and exports high-precision machine tools. GETPL manufactures lubrication equipment, precision engineering tools (primarily measurement instruments), and professional hand tools. The company has integrated all its facilities in the Gurgaon plant, and has installed the latest equipment to develop new products to meet customer needs.

Rating Strengths

- Healthy financial risk profile, marked by low gearing and healthy debt protection measures
- Established position in precision engineering tools industry, with above-average operating efficiency

Rating Weaknesses

- Small scale of operations and high customer concentration
- Vulnerability of operating margins to volatility in raw material prices
- High foreign exchange exposure risk due to 100 per cent export-oriented unit (EOU) status

Outlook: Stable

CRISIL expects GETPL to maintain its healthy financial risk profile and its relationships with its large customers. The outlook may be revised to 'Positive' in case of a significant improvement in size of operations while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' in case of any large debt-funded capital expenditure (capex)/investment or any significant pressure on profitability and cash accruals.

Key Rating Sensitivity Factors

- Future capex and investment plans, and their funding pattern
- Sustenance of operating profitability after fiscal benefits expire

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	968	1148	1112
OPBDIT	235	235	351
PAT	142	48	288
Tangible Networth	973	831	787
Total Debt	367	421	344
OPBDIT Margins (%)	24.2	20.5	31.6
Net Profit Margins (%)	14.6	4.2	25.9
Interest cover (times)	10.54	2.06	17.23
NCA / Total Debt (times)	0.51	0.22	0.96
Gearing (times)	0.38	0.51	0.44
Total Debt / PBDIT (times)	1.53	2.06	0.98

GSPC Gas Company Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A			Positive
Rating History				
9/May/2011	A			Positive
18/Jun/2008	A-**			Stable

***Initial Bank loan rating assigned*

Company Background:

GSPC Gas Company Limited (GSPC Gas), a GSPC group company, retails natural gas in Gujarat. The company procures natural gas from its parent, Gujarat State Petroleum Corporation (GSPC, rated 'CRISIL AAr', 'CRISIL AA/Stable/CRISIL A1+'), and supplies the fuel to cities and towns across the state through its city gas distribution (CGD)/local gas distribution (LGD) networks. GSPC Gas began its operations by taking over the gas distribution network of GSPC in April 2006. GSPC had set up a gas distribution network in Hazira and was supplying piped natural gas (PNG) to residential customers in the area since June 2003. It also ran a compressed natural gas (CNG) station on a pilot basis in the same area. These businesses were transferred to GSPC Gas in line with the group's strategy to make the company the vehicle for retail distribution of natural gas. GSPC Gas currently operates a CGD network in 20 locations with 65 CNG stations.

Rating Strengths

- Benefits from growth opportunities in gas distribution business
- Strong operational linkages with group companies—GSPC and Gujarat State Petronet Ltd (GSPL) for transmission of gas

Rating Weaknesses

- Large exposure to ceramics industry
- Susceptibility to adverse regulatory changes and large planned capital expenditure (capex)

Outlook: Positive

CRISIL believes that GSPC Gas will improve its business risk profile over the medium term, backed by steady growth in its business volumes and secure gas supplies. The rating may be upgraded if the company maintains its operating margin and healthy financial risk profile. Conversely, the outlook may be revised to 'Stable' in case of any deterioration in GSPC Gas's operating efficiency, or time or cost overrun in its capex programme, or regulatory decisions that jeopardise the company's business prospects.

Key Rating Sensitivity Factors

- Deviation in project size, and scheduling and funding of capex
- Price and availability of gas
- Regulatory framework

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	18643	11889	8405
OPBDIT	3044	1154	1502
PAT	1542	339	750
Tangible Networth	4533	3133	1992
Total Debt	4442	3910	3004

OPBDIT Margins (%)	15.9	9.4	17.1
Net Profit Margins (%)	8.1	2.6	8.5
Interest cover (times)	8.52	4.37	8.83
NCA / Total Debt (times)	0.45	0.13	0.27
Gearing (times)	0.98	1.25	1.51
Total Debt / PBDIT (times)	NP	NP	NP

Gujarat Ambuja Exports Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
13/Jan/2011	A		A1	Stable
3/Dec/2008	A		A1	Negative
19/Feb/2008	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Gujarat Ambuja Exports Limited (GAEL) and its wholly owned subsidiary, Gujarat Ambuja International PTE Ltd. Incorporated in 1991 by Mr. Vijay Kumar Gupta, GAEL) manufactures and sells, refined oil (mainly soyabean oil) and de-oiled cakes (DOC); maize products such as starch, glucose, and corn flour (obtained through dry corn milling technology), and sorbitol, dextrose monohydrate powder, and maltose dextrine powder (obtained through wet corn milling technology); and cotton yarn.

The company has solvent and extraction refineries in Kadi (Gujarat), Akola (Maharashtra), and Pithampur and Mandsaur (both in Madhya Pradesh); it has total seed crushing capacity of 1.32 million tonnes per annum (tpa) and refining capacity of 0.39 million tpa. GAEL also manufactures vanaspati (hydrogenated fats) from imported palm oil; however, its vanaspati manufacturing capacity is small, at around 30,000 tpa, and is utilised marginally. Furthermore, GAEL has facilities in Himatnagar (Gujarat) and Sitarganj (Uttarakhand) with maize processing capacities of 0.35 million tpa. The company plans to set up a new plant in Karnataka, which is expected to commence commercial operations by December 2011, and increase its maize processing capacity by 0.25 million tpa. The company has a cotton yarn manufacturing facility in Himatnagar with 74,180 spindles. GAEL has seven windmills in Gujarat, with capacity of 8.45 megawatts (MW), which produce power for captive consumption.

Rating Strengths

- Diversified revenue profile
- High operating efficiencies in solvent extraction and refining business
- Healthy financial risk profile

Rating Weaknesses

- Exposure to risks relating to presence in agriculture-based commodity business
- Working-capital-intensive operations

Outlook: Stable

CRISIL believes that GAEL will benefit over the medium term from its established market position in the solvent extraction business and healthy demand prospects for its maize processing segment. The outlook may be revised to 'Positive' if GAEL's financial risk profile improves significantly, most likely driven by sustained improvement in its business performance and substantial improvement in working capital management. Conversely, the outlook may be revised to 'Negative' if GAEL's revenues and profitability are lower than expected or if the company's capital structure and debt protection metrics weaken.

Key Rating Sensitivity Factors

- Significant changes in capital structure
- Ability to sustain profitability
- Regulatory changes affecting raw material availability
- Extent of investment in new ventures
- Substantial profits or losses on derivative contracts

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	19611	14300	16207
OPBDIT	1538	1134	913
PAT	932	607	243
Tangible Networth	5069	4215	3032
Total Debt	2325	1791	904

OPBDIT Margins (%)	7.8	7.9	5.6
Net Profit Margins (%)	4.7	4.2	1.5
Interest cover (times)	12.1	10.7	5.38
NCA / Total Debt (times)	0.47	0.41	0.6
Gearing (times)	0.46	0.42	0.3
Total Debt / PBDIT (times)	1.48	1.48	0.99

Gujarat Apollo Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Positive
Rating History				
5/Aug/2010	A+		A1	Positive
2/Apr/2009	A+**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the financials of Gujarat Apollo Industries Ltd (GAI) and its subsidiaries Apollo Earthmovers Ltd (AEL; 85 per cent stake) and Apollo Industrial Products Ltd (AIPL; 85 per cent). GAI was promoted in 1987 by Mr. Anil Patel in association with Gujarat Investment Corporation Ltd, which disinvested its stake in 1992. GAI has over 20 years of experience in designing and manufacturing road construction equipment. It also provides after sales support. GAI has, over the years, entered into technical collaborations with various global players to upgrade the technology of its existing products and for product diversification. It has 12 regional offices to meet its after-sales service and support requirement.

GAI's products can be broadly classified into two categories, stationary plant segment and mobile product segment. Earlier, GAI and its subsidiaries were jointly engaged in manufacturing stationary and mobile equipment. GAI reorganised its business operations in 2009-10. As per the new arrangement, stationary equipment business will be managed by GAI and mobile equipment business by its subsidiaries.

Rating Strengths

- Established market position in road construction and maintenance equipment sector
- Strong financial risk profile
- Healthy business prospects given Government of India's (GoI's) emphasis on road development

Rating Weaknesses

- Fragmentation and intense competition in industry
- Revenues dependent on pace of investment in road construction segment
- Susceptibility of operating margin to fluctuation in input prices

Outlook: Positive

CRISIL believes that GAI will improve its financial risk profile over the medium term supported by the favourable outlook for, and its leading market position in, the road construction equipment industry. The rating may be upgraded if the company generates good revenue growth, leading to an improvement in debt protection measures. Conversely, the outlook may be revised to 'Stable' if GAI undertakes unrelated diversification or a larger-than-expected debt-funded capital expenditure (capex) programme, or if its margins decline significantly.

Key Rating Sensitivity Factors

- Large debt-funded capex or acquisition
- Working capital management
- Unrelated diversification

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2637	2388	2517
OPBDIT	564	448	521
PAT	340	297	466
Tangible Networth	1670	1298	1038
Total Debt	450	310	365
OPBDIT Margins (%)	21.4	18.8	20.7
Net Profit Margins (%)	12.9	12.4	18.5
Interest cover (times)	41.59	64.68	30.97
NCA / Total Debt (times)	0.71	0.91	1.22
Gearing (times)	0.27	0.24	0.35
Total Debt / PBDIT (times)	0.80	0.65	0.51

Gujarat Insecticides Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
19/May/2011	A		A1	Stable
21/Aug/2008	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Gujarat Insecticides Ltd (GIL) was set up as a joint venture between Gujarat Agro Industries Corporation Ltd, a Government of Gujarat Enterprise, and Gharda Chemicals Ltd (GCL, rated 'CRISIL A+/Stable/CRISIL A1+'), Mumbai, in 1980. GCL increased its stake in the company to 100 per cent in 1996. GIL manufactures and sells technical-grade pesticides, such as cypermethrin, fenvalerate, quinalphos, and intermediates at its manufacturing facility in Ankleshwar. Around 60 per cent of its revenues come from sales to GCL. Dr Keki Gharda, a scientist, who is the Chairman and Managing Director (CMD) of GCL, is the Managing Director (MD) of GIL.

Rating Strengths

- Operational, financial, and technical support from GCL

Rating Weaknesses

- Average market position
- Small scale of operations
- Exposure to working-capital-intensive operations

Outlook: Stable

CRISIL believes that GIL will continue to receive operational, financial, and technical support from GCL. The outlook may be revised to 'Positive' if GIL demonstrates revenue growth, while maintaining its operating margins at current levels. Conversely, the outlook may be revised to 'Negative' in case of significant deterioration in GCL's credit risk profile.

Key Rating Sensitivity Factors

- Changes in credit risk profile of GCL
- Deterioration in working capital management

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1310	1143	881
OPBDIT	123	128	-2
PAT	64	94	36
Tangible Networth	726	662	568
Total Debt	141	77	58
OPBDIT Margins (%)	8.9	10.7	-0.3
Net Profit Margins (%)	4.6	7.8	4
Interest cover (times)	11.30	16.23	3.32
NCA / Total Debt (times)	0.58	1.47	0.99
Gearing (times)	0.19	0.12	0.1
Total Debt / PBDIT (times)	1.12	0.6	0.67

Gujarat Organics Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
16/Sep/2010	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Incorporated in 1978, Gujarat Organics Ltd (GOL) manufactures para hydroxy benzoic acid (PHBA) and its derivatives, namely parabens. Parabens are widely used as preservatives in cosmetics, food and pharmaceutical products. The company is promoted by Mr. Ashwin Dani, a co-promoter of Asian Paints Ltd (APL, rated 'CRISIL AAA/Stable/CRISIL A1+'), one of the largest paint companies in Asia. GOL specialises in the synthesis of organic chemicals, intermediates and fine chemicals. The company's plant is in Ankaleshwar (Gujarat). It also has an in-house research and development unit, recognised by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India.

GOL also is one of the companies through which Dani family holds its investments in APL. GOL has a stake of around 2.38 per cent in APL. On February 14, 2011, Vijal Holding and Trading Company Pvt Ltd (Vijal Holding) was set up as a wholly owned subsidiary of GOL. Although Vijal Holding has not started operations, the extent of borrowing (at overall group level) for investments in this holding company will be a key rating sensitivity factor for GOL over the medium term.

Rating Strengths

- Comfortable financial risk profile
- Financial flexibility on account of significant shareholding in APL
- Diverse customer profile

Rating Weakness

- Modest scale of operations and limited bargaining power with customers

Outlook: Stable

CRISIL believes that GOL will maintain its credit risk profile over the medium term on the back of sustained demand from key customers and improved profitability in the parabens products segment. The outlook may be revised to 'Positive' if GOL's scale of operations increases significantly with better-than-expected profitability. Conversely, the outlook may be revised to 'Negative' if inability to pass on the increase in raw material prices to customers leads to material losses in GOL's manufacturing operations. Any significant pledge of GOL's investments for borrowings for its associates like Gitanjali Trading and Investments Private Limited, may also lead to weakened financial flexibility and hence the outlook being revised to 'Negative'.

Key Rating Sensitivity Factors

- Demand from key customers
- Susceptibility to volatility in raw material prices
- Pledge of investments / guarantee against associate companies'/subsidiary's debt obligations
- Capital expenditure and its funding

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	382	357	283
OPBDIT	31	30	18
PAT	64	31	35
Tangible Networth	259	196	144
Total Debt	146	134	164

OPBDIT Margins (%)	7.8	8.2	6.4
Net Profit Margins (%)	16.2	14.0	12.3
Interest cover (times)	5.78	6.74	5.19
NCA / Total Debt (times)	0.54	0.49	0.30
Gearing (times)	0.56	0.68	1.14
Total Debt / PBDIT (times)	1.53	1.67	2.77

Gujarat Pipavav Port Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
31/May/2011	A+		A1	Stable
23/Apr/2010	BBB+**		A2**	Stable

Company Background

Gujarat Pipavav Port Limited (GPPL) was incorporated on August 5, 1992, as a joint venture between the Gujarat Maritime Board (GMB), the nodal agency for port development in Gujarat, and Sea King Engineers Ltd (now known as SKIL Infrastructure Ltd), a private company. In May 2005, APM Terminals BV, Netherlands (APM Terminals) acquired a controlling stake in the entity from the earlier promoters, and has been the promoter of GPPL since then.

GPPL operates Pipavav port in Saurashtra (Gujarat). It has exclusive rights to develop and operate APM Terminals' Pipavav and related facilities until September 2028 as per the concession agreement signed with GMB and the Government of Gujarat. The company is promoted by APM Terminals, one of the largest container terminal operators in the world with a global network of 54 ports and terminal facilities in 33 countries and 131 inland service locations in 49 countries. APM Terminals is part of the AP Moller Maersk Group, which has business interests in shipping (through Maersk Line and Safmarine), oil and gas, and retail.

Rating Strengths

- Well placed to capitalise on traffic growth due to favourable location and good connectivity with hinterland
- Comfortable financial risk profile
- Strong operational and financial support from parent, APM Terminals

Rating Weaknesses

- Average operating efficiency
- Small scale of operations

Outlook: Stable

CRISIL believes that GPPL will continue to capitalise on the growth in the container traffic segment, resulting in improvement in its operating efficiency. The outlook may be revised to 'Positive' if GPPL is able to significantly increase its operations while maintaining its financial risk profile. Conversely, the outlook may be revised to 'Negative' in case the company undertakes larger-than-expected debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Continued support from APM Terminals
- Significant additional capex.

Financial Performance

Rupees Million	31-Dec-10	31-Dec-09	31-Dec-08
Net Sales	2839	2207	1724
OPBDIT	1174	443	-17
PAT	-547	-1165	-846
Tangible Networth	7279	3083	3787
Total Debt	7973	10891	7422

OPBDIT Margins (%)	41.3	20.1	-1.0
Net Profit Margins (%)	-19.3	-52.8	-48.9
Interest cover (times)	0.94	0.36	-0.02
NCA / Total Debt times)	-0.01	-0.07	-0.10
Gearing (times)	1.10	3.53	1.96
Total Debt / PBDIT (times)	6.65	22.20	46.95

Gujarat Reclaim and Rubber Products Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Positive
Rating History				
25/Oct/2011	A-		A2+	Positive
2/Jul/2010	A-**		A2**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Gujarat Reclaim and Rubber Products Limited (GRRPL) and GRIP Polymers Ltd (GPL). The companies are together referred to as GRG.

GRRPL is a public limited company engaged primarily in manufacturing reclaim rubber (recycled rubber). The company was incorporated in 1973 and promoted by Mr. Rajendra V Gandhi under the guidance of Mr. Kandathil Philip, founder director of MRF Ltd and one of the pioneers of the rubber industry in India.

GRRPL currently has an installed capacity of 47,000 tpa for reclaimed rubber. The company plans to increase its capacity to 61,000 tpa by the end of 2011-12. GPL is a wholly owned subsidiary of GRRPL and is engaged in trading of carbon powder required by the tyre manufacturing companies.

Rating Strengths

- Comfortable financial risk profile
- Established market presence

Rating Weakness

- Susceptibility of operating margin to fluctuations in raw material prices and foreign currency

Outlook: Positive

CRISIL believes that GRG is likely to improve its market position with the increase in its scale of operations led by capacity expansion – this will alleviate the group's capacity constraints and enable it to meet the increasing demand. The ratings may be upgraded if the group achieves healthy off-take for its enhanced capacities, while maintaining its profitability, and improves its capital structure. Conversely, the outlook may be revised to 'Stable' if the group is unable to achieve the expected off-take level for its enhanced capacities or if its profitability declines steeply.

Key Rating Sensitivity Factors

- Time and cost overrun in planned projects
- Exchange rate movement of Indian Rupee vis-à-vis other competing currencies
- Off-take as regards proposed expansion in capacities

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1,849	1,418	1,327
OPBDIT	331	265	293
PAT	176	138	141
Tangible Networth	673	533	426
Total Debt	404	244	178
OPBDIT Margins (%)	17.6	18.3	21.8
Net Profit Margins (%)	9.4	9.5	10.5
Interest cover (times)	14.44	14.92	15.47
NCA / Total Debt (times)	0.47	0.62	0.87
Gearing (times)	0.6	0.46	0.42
Total Debt / PBDIT (times)	1.22	0.88	0.65

GVK Biosciences Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
2/Jul/2008	A+**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at the ratings, CRISIL has combined the financial and business risk profiles of GVK Biosciences Pvt Ltd (GVK Biosciences) and Inogent Labs Pvt Ltd (Inogent Labs), an affiliate company of the GVK group. While GVK Biosciences provides services in drug discovery and development, Inogent Labs offers a mix of contract research services (process research and development, and custom chemical synthesis), and also manufactures active pharmaceutical ingredients (API) and API intermediates.

GVK Biosciences is an integrated contract research organisation (CRO) providing drug discovery and development services to innovator pharmaceutical (pharma) companies. The company provides informatics and patent services, medicinal chemistry services, clinical operations, clinical pharmacology services, scale-up technologies, and collaborative research programmes. It is one of India's leading CROs with a client base of over 150 companies, including 17 of the top 20 global pharma companies. The company has around 1500 employees and facilities in Hyderabad, Chennai, Gurgaon and Ahmedabad. It also has a training division, Biocampus, in Hyderabad that trains professionals from related inter-disciplinary fields in advanced bio-informatics, biostatistics, protein modelling, and rational drug design.

Rating Strengths

- Strong market position in contract research industry and favourable growth prospects
- Low-risk business model, predominantly based on full-time equivalent (FTE) and fee-based contracts
- Healthy operating margin

Rating Weaknesses

- Exposure to increasing competition in the contract research market
- Aggressive growth plans
- Client concentration in revenues

Outlook: Stable

CRISIL believes that GVK Biosciences will maintain its trend of profitable growth, through organic and inorganic expansions. The outlook may be revised to 'Positive' in case of sustained improvement in GVK Biosciences' revenues and return on capital employed while maintaining a comfortable capital structure. Conversely, the outlook may be revised to 'Negative' if the company contracts more debt than expected to fund its growth plans, thereby straining its capital structure, or increases its exposure to risks inherent in collaborative research deals.

Key Rating Sensitivity Factors

- Size and funding pattern for organic and inorganic growth plans
- Extent of collaborative research contracts undertaken by the company, which involve greater risk and milestone-based payments
- Extent of foreign exchange losses
- Significant changes in revenues or profitability
- Regulatory guidelines for clinical trials in India

Financial Performance (Not Published)

Hamilton Housewares Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
10/Jun/2011	A+		A1	Stable
18/Sep/2008	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Hamilton Housewares Pvt Ltd (HHPL) and Hamilton Writing Instruments Pvt Ltd (HWIPL, rated 'CRISIL A/Stable/CRISL A1'), collectively referred to as the Hamilton group. HHPL owns 75.81 per cent of HWIPL's equity shares, and HWIPL's borrowings are backed by corporate guarantee from HHPL.

HHPL manufactures and trades plastic-ware, thermo-ware, melamine-ware, and glassware under the brand names Milton and Treo. The company was promoted in 2000 by Mr. Ajay Vaghani as DG Glass; in 2003, the company was reconstituted as a private limited company and got its present name. HHPL is one of the largest players in the household plastic-ware and glassware segments. It has production units in Silvassa (Union Territory of Dadra and Nagar Haveli) and Haridwar (Uttarakhand). HHPL generates its revenues predominantly from North India (Delhi, Uttar Pradesh, and adjoining areas) followed by West and South India.

HWIPL was incorporated in 2005-06 as Hamilton Networks Pvt Ltd; it got its present name in 2007. The company sells ball-pens, gel pens, pen refills, and stationery items under the Claro brand; HWIPL has production units in Piparia and Silvassa, (both in Union Territory of Dadra and Nagar Haveli). It has an all India presence and around 25 per cent of its revenue is contributed by exports to countries in Africa and South-east Asia.

Rating Strengths

- Strong market position, backed by well-established brands
- Moderate financial risk profile

Rating Weaknesses

- Susceptibility to volatility in raw material prices
- Susceptibility to intense market competition
- Working-capital-intensive operations

Outlook: Stable

CRISIL believes that the Hamilton group will benefit over the medium term from the favourable demand outlook in the house-ware industry and its established market position in the organised plastic-ware, thermo-ware, and glassware segments. The outlook may be revised to 'Positive' if the group, on a sustained and profitable basis, diversifies its business, leading to improvement in its business risk profile, and simultaneously limits the increase in working capital requirement resulting in an improvement in its financial risk profile. Conversely the outlook may be revised to 'Negative' if the Hamilton group's financial risk profile deteriorates, most likely due to lower-than-expected revenues and profitability, or higher-than-expected debt-funded capital expenditure (capex) or working capital requirements.

Key Rating Sensitivity Factors

- Ability to sustain volume growth and maintain profitability
- Extent of capex and its funding mix
- Sharp change in working capital requirement

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	3,454	2,516	2,209
OPBDIT	462	291	206
PAT	217	150	116
Tangible Networth	902	707	556
Total Debt	949	517	222
OPBDIT Margins (%)	13.3	11.5	9.3
Net Profit Margins (%)	6.2	5.9	5.2
Interest cover (times)	4.68	4.45	4.13
NCA / Total Debt (times)	0.29	0.38	0.62
Gearing (times)	1.05	0.73	0.4
Total Debt / PBDIT (times)	1.05	0.73	0.4

Hamilton Writing Instruments Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
30/Dec/2011	A**	-	A1**	Stable

*** Initial Bank loan rating assigned*

Company Background:

Hamilton Writing Instruments Private Ltd (HWIL) was incorporated in 2005 as Hamilton Networks Pvt Ltd; its name was changed to the current one in 2007. HWIL commenced commercial operations in 2009. The company manufactures writing instruments, including ballpoint pens, gel pens, refills, and files and folders; it also trades in stationery products, including a variety of files and folders, and office stationery such as calculators, tapes, glues and adhesives, correction products, cutters, and markers.

HWIL has production units in Piparia (Dadra and Nagar Haveli) with a manufacturing capacity of 12 million pens per month. The company is also planning to set up a unit in Haridwar (Uttarakhand) which is expected to become operational in 2012-13. It has a distribution network of around 200 distributors, with a retail reach of 1500 stores and a sales force of 110 employees. The company is present across India and around 25 per cent of its revenues come from exports to countries in Africa, South-East Asia, Europe, and the Middle East.

Hamilton Housewares Pvt Ltd (HHPL, rated 'CRISIL A+/Stable/CRISIL A1') holds an 80 per cent equity stake in HWIL. HHPL manufactures and trades in plasticware, thermoware, melamineware, and glassware, under the brand names Milton and Treo; it is one of the largest players in the domestic market.

Rating Strengths

- Moderate financial risk profile
- Operational and financial support from parent, HHPL

Rating Weaknesses

- Working-capital-intensive operations
- Susceptibility of operating margin to volatility in raw material prices and to intense competition in writing instruments and stationery markets

Outlook:Stable

CRISIL believes that HWIL will continue to benefit from the healthy demand in the writing instruments segment and the significant operational and financial support from its parent. The outlook may be revised to 'Positive' if HWIL reports higher-than-expected growth in its revenues and sustains improvement in its operating performance, while it improves its working capital management. Conversely, the outlook may be revised to 'Negative' if HWIL reports weaker-than-expected business performance and more-than-expected increase in its working capital requirements, resulting in deterioration in its gearing and debt servicing ability. Also, the ratings on HWIL may be downgraded if there is a downgrade in the ratings on HHPL.

Key Rating Sensitivity Factors

- Ramp-up of operations as expected
- Decline in financial and operational support received from HHPL
- Change in credit risk profile of HHPL
- Extent and funding-mix of future capital expenditure

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	337	203	63
OPBDIT	38	26	4
PAT	8	6	-5
Tangible Networth	159	151	74
Total Debt	105	64	39

OPBDIT Margins (%)	10.9	12.5	5.4
Net Profit Margins (%)	2.5	3.0	-6.8
Interest cover (times)	4.82	3.79	1.11
NCA / Total Debt (times)	0.21	0.27	0.01
Gearing (times)	0.66	0.43	0.53
Total Debt / PBDIT (times)	2.77	2.48	10.74

Harbans Lal Malhotra & Sons Pvt. Ltd.

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
8/Nov/2011	A+**		A1+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Harbanslal Malhotra and Sons Pvt Ltd (HLM), Laser Shaving India Pvt Ltd (LSIPL) and Malhotra Marketing Pvt Ltd (MMPL). The entities are collectively referred to as the HLM group (part of the larger Malhotra group).

HLM is the flagship company of the Malhotra group. The company is based in Kolkata (West Bengal), was incorporated in 1945. Initially, the company was engaged in manufacturing carbon and hexa blades used for jute cutting and multiple other purposes. Around ten years post commencement of operations, the company started manufacturing stainless steel safety razors and razor blades.

HLM produces double-edged razors under the established brand Topaz. It has capacity to produce around 4500 million blades per annum. HLM also has a cold-rolling unit, with capacity of 3000 tonnes per annum, which it uses for captive consumption.

LSIPL, originally known as Malhotra Shaving Products Pvt Ltd, was formed in 1960 in Hyderabad (Andhra Pradesh). In 2010-11, the name of the company was changed to the current one. LSIPL is manufactures premium twin-track (double- and triple-blade) razors under the brand Laser; it has production capacity of around 2500 million pieces per month.

MMPL acts as the marketing arm of the group for domestic sales. HLM and LSIPL make majority of their domestic sales to MMPL which acts as a trading company further selling to stockists.

Rating Strengths

- Strong financial risk profile
- Strong market position in safety razor blade industry

Rating Weakness

- Limited product diversification and exposure to intense competition

Outlook: Stable

CRISIL believes that the HLM group will maintain its strong business and financial risk profiles, supported by its established brand and market position and strong capital structure. The outlook may be revised to 'Positive' if the group diversifies its product profile, thereby achieving higher than expected revenue growth. Conversely, the outlook may be revised to 'Negative' if the group undertakes larger-than-expected debt-funded capital expenditure (capex) programme, thereby weakening its capital structure, or if it diverts its existing large cash balance to unrelated businesses.

Key Rating Sensitivity Factors

- Future capex and its funding pattern
- Maintenance of market position and operating margin
- Diversification of current cash balance to unrelated activity

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2,867	2,819	2,215
OPBDIT	224	180	172
PAT	121	67	82
Tangible Networth	1,374	1,259	1,198
Total Debt	216	189	375
OPBDIT Margins (%)	7.6	6.2	7.3
Net Profit Margins (%)	4.1	2.3	3.5
Interest cover (times)	11.36	9.16	5.74
NCA / Total Debt (times)	0.93	0.80	0.45
Gearing (times)	0.16	0.15	0.31
Total Debt / PBDIT (times)	0.73	0.73	1.58

Harry Winston Diamond (India) Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
25/Jan/2010	A	-	-	Stable

Company Background:

Harry Winston Diamond (India) Private Limited (HWDL) is a step-down subsidiary of Harry Winston Diamond Corporation (HWDC). It was incorporated in 2004 as Aber India Pvt Ltd. Later on, in 2007, after Aber Diamond Corporation acquired Harry Winston Inc and rechristened itself as HWDC, its Indian arm was also rechristened as HWDL. Aber Investment Ltd, a Cyprus based investment company and a 100 percent subsidiary of HWDC holds 99 per cent in HWDL.

HWDC has two business segments, mining and retailing of diamond studded jewellery. It owns a 40 per cent stake in Diavik Diamond Mines, a Canadian diamond mine with estimated reserves of around 100 million carats. The mining division obtains rough diamonds mined from the ore mines, and sells these through two distribution entities in Antwerp and Mumbai. The retail division, Harry Winston Inc, is into retail of high-end diamond-studded jewellery, and has 18 exclusive salons across the big cities of the world.

HWDL procures rough diamonds from its parent and sells it in the Indian markets to various diamond companies in India. It also undertakes export orders, mostly to its associate company in Antwerp. Besides its role as a supplier of rough diamonds, it also facilitates purchase of polished diamonds required for the jewellery segment of HWDC. HWDL does not directly deal in polished diamonds, and merely acts as a facilitator.

Rating Strengths

- Strong managerial and financial support from parent, HWDC
- Prudent risk management policies

Rating Weakness

- Susceptibility to slowdown in the gems and jewellery market

Outlook: Stable

CRISIL believes that HWDL will continue to benefit from the strong support it receives from its parent, HWDC. The outlook may be revised to 'Positive' if the company posts higher than expected revenues on account of increase in volumes or improvement in the jewellery market. Conversely, the outlook may be revised to 'Negative' if the company's revenues decline significantly on account of a change in parent's policies or severe slowdown in gems and jewellery market.

Key Rating Sensitivity Factors

- Continued slowdown in demand for gems and jewellery
- Volatility in foreign exchange rates

Financial Performance

Rupees Million	31-Jan-10	31-Jan-09	31-Jan-08
Net Sales	1751	2,517	3,336
OPBDIT	63	98	70
PAT	36	34	42
Tangible Networth	150	114	80
Total Debt	-	75	-
OPBDIT Margins (%)	3.6	3.9	2.1
Net Profit Margins (%)	2.0	1.4	1.3
Interest cover (times)	5.95	2.19	46.48
NCA / Total Debt (times)	-	0.47	-
Gearing (times)	-	0.66	-
Total Debt / PBDIT (times)	-	0.76	-

Hartex Rubbers Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
31/Oct/2011	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background

For arriving at its rating, CRISIL has combined the business and financial risk profiles of Hartex Rubbers Pvt Ltd (HRPL) and Hartex Tubes Pvt Ltd (HTPL), hereafter referred to as the Hartex group.

HRPL, promoted by the Kolkata-based Sureka family in 1987, belongs to the Hartex group of companies. It manufactures bicycle tyres and tubes, and sells them under the Hartex brand, which has an established market presence in South India. The group caters to original equipment manufacturers (OEMs), the domestic replacement market, as well as the export market in Africa, Latin America, and the Middle East. The group's operations are managed by Mr. Arun Sureka, a second generation entrepreneur. HRPL has its manufacturing units in Hyderabad (Andhra Pradesh), and has manufacturing capacity of around 17 million moulded bicycle tubes and 18 million bicycle tyres. HTPL, set up in 1989 by the Sureka family, has its manufacturing units are located at Nagpur (Maharashtra), and have capacity of 8 million jointed bicycle tubes per year.

Rating Strengths

- Established standing and promoters' extensive experience in bicycle tyre industry
- Healthy financial risk profile
- Established Hartex brand, coupled with strong and diversified market presence

Rating Weaknesses

- Exposure to intense competition in bicycle tyres and tubes market
- Susceptibility of operating margin to volatility in price of natural rubber

Outlook: Stable

CRISIL believes that the Hartex Group will continue to benefit from its established position in the cycle tyre segment and sustain its robust financial risk profile over the medium term. The outlook may be revised to 'Positive' if the group reports significant improvement in its revenues and net cash accruals, while maintaining its profitability and debt protection metrics. Conversely, the outlook may be revised to 'Negative' if the group undertakes a larger-than-expected capex programme (capex) or faces a steep decline in its operating margin, leading to deterioration in its debt protection metrics.

Key Rating Sensitivity Factors

- Capex plans, and their funding mix
- Working capital management
- Fluctuations in price of natural rubber
- Significant increase in exposure to group entities

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1,804	1,293	1,703
OPBDIT	210	154	143
PAT	140	99	72
Tangible Networth	521	381	282
Total Debt	101	25	64
OPBDIT Margins (%)	11.3	11.6	8.2
Net Profit Margins (%)	7.5	7.4	4.1
Interest cover (times)	32.03	17.61	11.95
NCA / Total Debt (times)	1.54	4.8	1.38
Gearing (times)	0.19	0.06	0.23
Total Debt / PBDIT (times)	0.45	0.15	0.45

Hartex Tubes Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
31/Oct/2011	A-**			Stable

Company Background:

For arriving at its rating, CRISIL has combined the business and financial risk profiles of Hartex Rubbers Pvt Ltd (HRPL) and Hartex Tubes Pvt Ltd (HTPL), hereafter referred to as the Hartex group.

HRPL, promoted by the Kolkata-based Sureka family in 1987, belongs to the Hartex group of companies. It manufactures bicycle tyres and tubes, and sells them under the Hartex brand, which has an established market presence in South India. The group caters to original equipment manufacturers (OEMs), the domestic replacement market, as well as the export market in Africa, Latin America, and the Middle East. The group's operations are managed by Mr. Arun Sureka, a second generation entrepreneur. HRPL has its manufacturing units in Hyderabad (Andhra Pradesh), and has manufacturing capacity of around 17 million moulded bicycle tubes and 18 million bicycle tyres. HTPL, set up in 1989 by the Sureka family, has its manufacturing units are located at Nagpur (Maharashtra), and have capacity of 8 million jointed bicycle tubes per year.

Rating Strengths

- Established standing and promoters' extensive experience in bicycle tyre industry
- Healthy financial risk profile
- Established Hartex brand, coupled with strong and diversified market presence

Rating Weaknesses

- Exposure to intense competition in bicycle tyres and tubes market
- Susceptibility of operating margin to volatility in price of natural rubber

Outlook: Stable

CRISIL believes that the Hartex Group will continue to benefit from its established position in the cycle tyre segment and sustain its robust financial risk profile over the medium term. The outlook may be revised to 'Positive' if the group reports significant improvement in its revenues and net cash accruals, while maintaining its profitability and debt protection metrics. Conversely, the outlook may be revised to 'Negative' if the group undertakes a larger-than-expected capital expenditure (capex) programme or faces a steep decline in its operating margin, leading to deterioration in its debt protection metrics

Key Rating Sensitivity Factors

- Capex plans, and their funding mix
- Working capital management
- Fluctuations in price of natural rubber
- Significant increase in exposure to group entities

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	424	406	282
OPBDIT	54	49	17
PAT	29	29	5
Tangible Networth	85	56	28
Total Debt	74	69	29
OPBDIT Margins (%)	12.7	12.1	6.1
Net Profit Margins (%)	6.8	7.1	1.8
Interest cover (times)	8.78	20.35	2.56
NCA / Total Debt (times)	0.43	0.47	0.29
Gearing (times)	0.87	1.23	1.04
Total Debt / PBDIT (times)	1.37	1.39	1.62

HiMedia Laboratories Private Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
29/Jan/2011	A-	-	A2+	Stable
09/Jul/2008	BBB+	-	A2+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of HiMedia Laboratories Private Ltd (Himedia) and Warkem Biotech Private Ltd (Warkem; rated 'CRISIL BBB+/Stable'), collectively referred to as the HiMedia-Warkem combine, herein.

Established in 1976 as Hindustan Dehydrated Media, HiMedia began operations to provide ready-to-use culture media to scientists, researchers, and small companies. Today, HiMedia is among the world's few companies that possess know-how to manufacture microbiological culture media. It has developed more than 3500 culture media; its products are used in more than 130 countries, and compete favourably with international brands. HiMedia has manufacturing and research and development (R&D) facilities at Palkhed (Nashik district, Maharashtra).

The company manufactures and supplies culture media, sensitivity discs, plastic wares and allied products. HiMedia has a wide range of products such as dehydrated culture media, animal tissue culture media, plant tissue culture media, bacteriological differentiation aids, anti-microbial sensitivity single discs, anti-microbial sensitivity discs, and standardised chemicals and ingredients. HiMedia products find application in academic fields, public health care, and industries such as pharmaceutical, food and dairy products, hotels, and bio-pesticides.

Rating Strengths

- Strong presence in domestic culture media market
- Professional management, with expertise and experience
- Focus on research and innovation
- Moderate financial risk profile

Rating Weaknesses

- Limited, albeit, improving geographical diversity
- Vulnerability to market competition because of its presence in niche segment and small scale of operations

Outlook: Stable

CRISIL believes that the HiMedia-Warkem combine will continue to generate sizeable cash accruals and maintain its debt protection metrics over the medium term. The outlook may be revised to 'Positive' if the combine improves its working capital management, generates larger-than-expected cash accruals, thereby significantly improving its capital structure, and increases its presence in developed markets. Conversely, the outlook may be revised to 'Negative' if the combine's capital structure weakens because of larger-than-expected debt-funded capital expenditure (capex) or in case of significant decline in its operating margin.

Key Rating Sensitivity Factors

- Larger-than–expected, debt-funded capex
- Establishing strong market position and brand equity in international market

Financial Performance

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1,225	1,137	887
OPBDIT	254	258	206
PAT	118	142	101
Tangible Networth	514	439	334
Total Debt	472	470	384
OPBDIT Margins (%)	20.7	22.6	23.2
Net Profit Margins (%)	9.6	12.5	11.4
Interest cover (times)	5.5	7.98	6.25
NCA / Total Debt times)	0.26	0.29	0.28
Gearing (times)	0.92	1.07	1.15
Total Debt / PBDIT (times)	-	-	-

Hind Offshore Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
23/Mar/2011	A-	-	A2+	Stable
24/Dec/2009	BBB+	-	A2	Positive

Company Background

Set up in 1990 by Mr. M C Kshirsagar, Hind Offshore Private Ltd (Hind Offshore) provides offshore logistics services to companies such as Oil and Natural Gas Corporation Ltd (ONGC), Larsen & Toubro Ltd (L&T), and Punj Lloyd Ltd (PLL). Hind Offshore's current fleet consists of three accommodation/construction barges, three anchor-handling tug supply vessels (AHTSVs), one anchor-handling supply vessel (AHSV), two utility crew boats, one seismic survey vessel, and one vessel each as material barge and ocean towing tug.

Rating Strengths

- Healthy financial risk profile
- Healthy market position, supported by strong growth in off-shoring activities
- Strong operating efficiencies

Rating Weaknesses

- Continued debt-funded fleet acquisition plans
- Exposure to vessel concentration risks, and presence in low-end vessel segment

Outlook: Stable

CRISIL believes that Hind Offshore will maintain its business and financial risk profiles over the medium term, supported by its entry into specialized vessels segment and continued high vessel deployment. The outlook may be revised to 'Positive' if Hind Offshore improves its revenue-mix from specialized vessels, while maintaining its strong cash accruals. Conversely, the outlook may be revised to 'Negative' if Hind Offshore undertakes larger-than-expected capital expenditure (capex), thereby weakening its capital structure, or if its charter rates decline sharply, resulting in weakening of its cash accruals.

Key Rating Sensitivity Factors

- Capex plans, and their funding mix
- Adverse movement in daily charter rates
- Changes in government policies regarding competition from foreign vessels
- Re-pricing risk

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2,087	1,010	821
OPBDIT	996	623	507
PAT	590	397	251
Tangible Networth	1,364	774	376
Total Debt	1,419	843	322

OPBDIT Margins (%)	47.7	61.6	61
Net Profit Margins (%)	28.3	39.2	30.2
Interest cover (times)	14.44	28.05	6.41
NCA / Total Debt times)	0.59	0.6	1.12
Gearing (times)	1.04	1.09	0.85
Total Debt / PBDIT (times)	1.42	1.34	0.64

Hindustan Newsprint Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Negative
Rating History				
26/May/2009	A	-	A1	Negative
16/Dec/2008	A	-	A1	Stable

Company Background:

Hindustan Newsprint Ltd (HNL) was incorporated in 1983 as a wholly owned subsidiary of Hindustan Paper Corporation Ltd (HPCL), which, in turn, was promoted by the Government of India in 1970. HNL has an installed capacity to manufacture up to 100,000 tonnes per annum (tpa) of newsprint (NP) at its facility in Kottayam (Kerala). It also has a 22-megawatt (MW) captive power plant and 100-tonnes per day (tpd) de-inking unit to convert waste paper into pulp, to be used as raw material for production of NP.

To counter the volatility inherent in NP prices, which leads to fluctuations in revenues and profitability, HNL proposes to diversify its revenues by adding swing capacity to be able to manufacture writing and printing paper (WPP). A swing facility allows a paper manufacturing company to manufacture both NP as well as WPP, though not simultaneously. The project is estimated to cost around Rs.1.3 billion. Additionally, HNL also plans to undertake a high-speed adjustment up gradation project at a cost of Rs.500 million. The project is pending the approval of the board of the parent company, HPCL.

Rating Strengths

- Moderate business risk profile
- Adequate financial risk profile

Rating Weakness

- Presence in extremely competitive, cyclical, and commoditised segment of paper industry

Outlook: Negative

CRISIL believes that HNL's profitability will remain under moderate pressure over the near term. The ratings may be downgraded if NP prices decrease significantly, HNL's working capital requirements increase more than expected, or the company undertakes a larger-than-expected debt-funded capital expenditure (capex) programme. Conversely, the rating may be revised to 'Stable' if there is a sustained increase in NP prices, resulting in a better-than-expected

Financial Performance for HNL.

Key Rating Sensitivity Factors

- Sharp decline in NP prices
- Larger-than-expected capex necessitating additional debt funding

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	3,017	2,844	2,977
OPBDIT	68	(423)	342
PAT	50	(480)	126
Tangible Networth	1921	1917	2397
Total Debt	240	-	430
OPBDIT Margins (%)	2.2	(14.7)	11.4
Net Profit Margins (%)	1.7	(16.7)	4.2
Interest cover (times)	26.94	(50.20)	22.81
NCA / Total Debt (times)	0.51	-	0.30
Gearing (times)	0.12	-	0.18
Total Debt / PBDIT (times)	1.34	-	1.24

Hindustan Platinum Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		**A1**	**Stable**
Rating History				
15/Apr/2009	**A****		**A1****	**Stable**

***Initial Bank loan rating assigned*

Company Background:

Set up as a partnership firm in 1952 by the Choksi brothers in Mumbai, Hindustan Platinum Pvt Ltd (HPPL) was reconstituted as a private limited company in 1961. HPPL refines and fabricates precious and semi-precious metals including platinum, palladium, rhodium, ruthenium, gold, and silver for use across industries, such as pharmaceuticals, chemicals, oil refineries, petrochemicals, electrical, fertilisers, man-made fibres, fibre and optical glass, and for scientific research. HPPL has considerably expanded the scope of its operations through technical collaborations with industry leaders across the world.

Rating Strengths

- Promoters' extensive experience in platinum group metals (PGM) business
- Effective risk management policies
- Strong and diverse customer profile
- Healthy financial risk profile

Rating Weakness

- Susceptibility to intense competition from established international players

Outlook: Stable

CRISIL believes that HPPL will maintain its business and financial risk profiles over the medium term on the back of steady cash accruals derived from healthy offtake by end-user industries and nearly stable operating profitability. The outlook may be revised to 'Positive' if the company significantly improves its profitability, while managing its working capital requirements efficiently. Conversely, the outlook may be revised to 'Negative' if HPPL witnesses sluggish profitability, or there is deterioration in its capital structure or debt protection metrics because of an increase in its working capital borrowings or large, debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Working capital management
- Significant debt-funded capex
- Entry or exit from product segments in PGM business
- Substantial increase or decrease in operating cash flows

Financial Performance (Not Published)

Hindustan Polyamides & Fibres Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Positive
Rating History				
16/Aug/2010	A-	-	A2+	Positive
18/Mar/2009	A-	-	A2+	Stable

Company Background:

Hindustan Polyamides and Fibres Ltd (HPFL), incorporated in 1965 and currently owned by Mariwala group, is a closely-held public limited company that manufactures aroma chemicals. The company exports its product to more than 20 countries; exports constitute around 85 per cent of its total sales. HPFL has two manufacturing facilities located near Pune, with a total capacity of around 17,660 tonnes per annum. The company has its own captive hydrogen plant with a capacity of 5 million cubic metres per annum. In addition, HPFL has a research and development (R&D) centre at Navi Mumbai, which is recognized as an 'Approved In-house R&D' facility by the Ministry of Science and Technology, Government of India.

HPFL has a strong client base and is a preferred supplier to global flavour and fragrance (F&F) leaders, Firmenich SA, Givaudan Suisse SA, International Flavour & Fragrances (IFF) and Symrise Inc.

Rating Strengths

- Established market position in F&F industry, with strong client base
- Good manufacturing set-up, and proven R&D capabilities
- Improved financial risk profile

Rating Weaknesses

- Intense competition in aroma chemical industry
- Significant customer and product concentration risk

Outlook: Positive

CRISIL believes that HPFL will continue to maintain its comfortable financial risk profile backed by its established market position in the flavour and fragrances industry. The rating may be upgraded if HPFL is able to manage its working capital requirement prudently while maintaining its operating margins at comfortable levels leading to improvement in its debt protection measures. Conversely, the outlook may be revised to 'Stable' if HPFL's operating performance weakens or its debt protection metrics deteriorate most likely because of larger-than-expected debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Adverse fluctuation in exchange rates, leading to losses on account of derivative transactions
- Debt-funded capex/investments/acquisitions
- Decline in margins
- Extent and nature of business with Firmenich group

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	3050	2391	2533
OPBDIT	473	431	275
PAT	238	195	109
Tangible Networth	1225	999	687
Total Debt	592	558	628
OPBDIT Margins (%)	14.9	17.3	10.8
Net Profit Margins (%)	7.5	7.9	4.3
Interest cover (times)	10.3	7.70	4.50
NCA / Total Debt (times)	0.60	0.54	0.30
Gearing (times)	0.50	0.56	0.91
Total Debt / PBDIT (times)	1.35	1.23	1.95

Hitachi Consulting Software Services India Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
20/Sep/2011	A+	-	A1	Stable

Company Background

Hitachi Consulting Software Services India Ltd (HCSSIL) was incorporated in 1992 (then known as Optima Computers Pvt Ltd; name changed to the current one in August 2011). HCSSIL is a wholly owned subsidiary of Hitachi Consulting Software Services Inc (Hitachi Inc; earlier known as Sierra Atlantic Inc, USA [Sierra Inc]). Hitachi Inc is headquartered in Fremont (California), and operates in 16 countries across North America, Europe, and Asia Pacific. HCSSIL was promoted by Mr. Raju Reddy, Mr. Yeswant Reddy, and Mr. Sanjay Sura; Hitachi Inc was promoted by these promoters, along with other venture capitalists.

On January 4, 2011, Hitachi Inc (then known as Sierra Inc) was acquired by Hitachi Consulting Corporation Inc (HCC Inc), USA, the IT arm of Hitachi Ltd (rated 'BBB+/Positive/A2' by Standard & Poor's); after the acquisition, Sierra Inc's name was changed to Hitachi Inc. Now HCSSIL's ultimate holding company is HCC Inc.

HCSSIL majorly provides ERP implementation solutions of Oracle Corporation Inc, USA, across verticals such as manufacturing, and banking, financial services and insurance (BFSI) sector. It also offers services such as outsourced product development (OPD), application development and maintenance, and integration and e-business services.

Rating Strengths

- Established presence in information technology (IT) industry, and benefits derived from being part of Hitachi Ltd
- Healthy financial risk profile

Rating Weaknesses

- Modest scale of operations in information technology (IT) industry, with concentration of revenues in single line of business
- Working-capital-intensive operations

Outlook: Stable

CRISIL believes that HCSSIL will maintain its business risk profile over the medium term, supported by its established market position in the business of implementation of enterprise resource planning (ERP) solutions. HCSSIL will also benefit from being part of the large, multi-national, Hitachi Ltd. The outlook may be revised to 'Positive' if HCSSIL derives business and financial synergies from HCC Inc., USA, leading to significant increases in its revenues, while maintaining its profitability and improving its working capital management. Conversely, the outlook may be revised to 'Negative' if there is deterioration in HCSSIL's financial risk profile, most likely because of any unexpected slowdown in its business environment resulting in less-than-expected growth in revenues, or weakening in its capital structure because of larger-than-expected debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Large capex and its funding pattern
- Working capital management, and management of surplus funds
- Synergies with parent company, and benefits expected thereof

Financial Performance

Rupees Million	31-Dec-10	31-Dec-09	31-Dec-08
Net Sales	1,972	1,748	1534
OPBDIT	513	502	233
PAT	392	395	50
Tangible Networth	1,156	764	368
Total Debt	-	-	-
OPBDIT Margins (%)	26.0	28.6	15.2
Net Profit Margins (%)	19.9	22.5	3.2
Interest cover (times)	206.71	556.27	2.89
NCA / Total Debt times)	-	-	-
Gearing (times)	-	-	-
Total Debt / PBDIT (times)	-	-	-

Hitachi Hi-Rel Power Electronics Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
24/Nov/2011	A-	-	A2+	Stable
3/Sep/2010	BBB-	-	A3	Positive
24/Dec/2008	BBB-**	-	A3**	Stable

*** Initial Bank loan rating assigned*

Company Background:

Incorporated in 1983, Hitachi Hi-Rel Power Electronics Pvt Ltd (HHPE) (previously, Hi-Rel Electronics Pvt Ltd [HREPL]) manufactures single-phase and three-phase online uninterrupted power systems (UPS) systems of up to 500 kilovolt ampere for the power, oil and gas, railways, and other industries. The company also manufactures automation drives, AC drives, rotary machine controls, industrial automation, and inverters.

In 2011-12, Hitachi Ltd (Hitachi, rated 'BBB+/Positive/A-2' by Standard & Poor's) acquired a majority stake in HREPL, after which it was renamed HHPE. The company plans to set up a manufacturing unit for medium-voltage drives, solar inverters, and automation steel in Sanand. The new unit is expected to start production towards the end of 2011-12.

Rating Strengths

- Healthy market position supported by favourable business synergies expected with Hitachi
- Healthy financial risk profile

Rating Weaknesses

- Large working capital requirements
- Moderate scale of operations

Outlook:Stable

CRISIL believes that HHPE will continue to benefit over the medium term from its improving revenue growth and its association with Hitachi. The outlook may be revised to 'Positive' in case the company achieves higher-than-expected growth in its revenues and profitability, while maintaining its capital structure. Conversely, the outlook may be revised to 'Negative' if there is any significant pressure on HHPE's operating margin, or if it funds its projects through more-than-expected debt or if the company does not get required support from Hitachi.

Key Rating Sensitivity Factors

- Quantum and timing of equity infusion to fund capital expenditure
- Management of working capital requirements
- Extent of benefits derived from the business synergy with Hitachi

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1,027	841	697
OPBDIT	107	93	60
PAT	45	27	15
Tangible Networth	285	138	120
Total Debt	117	124	135
OPBDIT Margins (%)	10.3	11.1	8.3
Net Profit Margins (%)	4.3	3.2	2.1
Interest cover (times)	3.95	2.85	1.79
NCA / Total Debt (times)	0.43	0.20	0.15
Gearing (times)	0.41	0.90	1.13
Total Debt / PBDIT (times)	1.19	1.53	2.18

Hitech Plast Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
29/Oct/2010	A	-	A1	Stable
30/Sep/2008	A-	-	A2+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Hitech Plast Ltd (Hitech) and its subsidiary, Clear Mipak Packaging Solutions Ltd (Clear Mipak). together referred to as the Hitech group. In 2009-10, Hitech's management merged the operations of Clear Plastics Ltd (CPL) and Mipak Polymers Ltd (MPL) into Clear Mipak.

Hitech was set up in 1991 by the Dani family, who are the promoters of Asian Paints Ltd (APL; rated 'CRISIL AAA/Stable/CRISIL A1+'). The Hitech group manufactures plastic-based rigid packaging products for several industries, such as paints, personal care, agrochemicals, healthcare, confectionary, and lubricants. The group has 16 manufacturing units in India. Hitech primarily caters to the packaging needs of APL. In 2003, Hitech acquired CPL for Rs.113 million. This acquisition added fast-moving consumer goods (FMCG) companies to Hitech's clientele, and provided the group access to blow-moulding technology. In 2006, Hitech acquired MPL for Rs.56 million. Through this acquisition, Hitech added injection-stretch blow moulding capabilities to its manufacturing base. The acquisition also enabled the group to enter the polyethylene terephthalate (PET) jars and bottles segment, and add reputed names such as SC Johnson India to its clientele.

Rating Strengths

- Established market position, marked by strong customer base and increasing revenue diversity
- Above-average operating efficiency due to wide geographical presence and diverse manufacturing processes
- Financial flexibility, backed by strong promoter background and healthy financial risk profile

Rating Weaknesses

- Susceptibility to raw material price volatility
- Exposure to intense market competition in fragmented packaging industry

Outlook: Stable

CRISIL believes that the Hitech group will continue to benefit from its established clientele, healthy operating efficiency, and stable cash accruals, over the medium term. The outlook may be revised to 'Positive' if the group further diversifies its revenue profile and significantly improves its capital structure. Conversely, the outlook may be revised to 'Negative' if the group undertakes any large, debt-funded capital expenditure (capex) or acquisition programme, thereby adversely affecting its capital structure.

Key Rating Sensitivity Factors

- Diversification of revenue profile
- Size, phasing, and funding of future capex
- Equity infusion

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2619	2161	1794
OPBDIT	409	330	294
PAT	157	148	106
Tangible Networth	862	657	450
Total Debt	976	717	746
OPBDIT Margins (%)	15.5	15.2	16.4
Net Profit Margins (%)	6.0	6.8	5.9
Interest cover (times)	4.9	3.29	3.52
NCA / Total Debt (times)	0.23	0.25	0.23
Gearing (times)	1.13	1.09	1.66
Total Debt / PBDIT (times)	2.35	2.12	2.52

HLS Asia Ltd.

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
30/Nov/2011	A+		A1+	Stable
16/Sep/2009	A+		A1	Stable

Company Background:

Incorporated in 1985, HLS Asia Ltd (HLSA), based in Noida (Uttar Pradesh), provides oilfield services such as wire-line logging (including open hole, cased hole, production logging, completion, and pipe recovery), perforation, and data-processing or interpretation services, to exploration and production companies. Halliburton Energy Services Inc (HES) owns 39.3 per cent stake in HLSA, while Austin Energy Services Pvt Ltd (Austin Energy Services), HLSA's holding company, owns 59.6 per cent stake. The remaining 1.1-per cent stake is held by individual investors (primarily HLSA employees).

Rating Strengths

- Strong financial risk profile, marked by low gearing and high financial flexibility
- Longstanding collaboration with Halliburton Company (Halliburton)
- Good revenue visibility, owing to healthy growth prospects in oilfield services industry

Rating Weaknesses

- Limited market share, owing to competition in oilfield services
- Dependence on single supplier for critical equipment

Outlook: Stable

CRISIL believes that HLSA will maintain its strong position in the onshore oilfield services market over the medium term, on the basis of its healthy order book and collaboration with Halliburton. CRISIL also believes that HLSA will maintain a strong financial risk profile over the medium term, supported by strong cash accruals vis-a-vis moderate capex requirement and no debt obligations. The outlook may be revised to 'Positive' if HLSA's margins improve considerably, while its capital structure remains stable. Conversely, the outlook may be revised to 'Negative' if the company's profitability declines because of competitive pressures.

Key Rating Sensitivity Factors

- Capital expenditure plans, and their funding pattern
- Adverse movements in operating rates
- Sustainability of orders and renewal of existing contracts
- Association with Halliburton

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1,087	1,079	923
OPBDIT	668	676	573
PAT	340	75	121
Tangible Networth	1,087	887	877
Total Debt	-	130	221

OPBDIT Margins (%)	61.2	62.3	61.7
Net Profit Margins (%)	31.2	6.9	13.1
Interest cover (times)	41.94	14.69	47.88
NCA / Total Debt times)	-	3.97	2.33
Gearing (times)	-	0.15	0.25
Total Debt / PBDIT (times)	-	0.20	0.37

Holostik India Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
21/Jun/2011	A		A1	Stable
4/Jun/2009	A-**		A2+*	Stable

***Initial Bank loan rating assigned*

Company Background:

Holostik India Ltd (HIL) was incorporated in 1991 by Mr. U K Gupta for manufacturing holographic products. Currently, the company manufactures security holograms and holographic films. HIL has fully-integrated facilities for creation of artwork for holograms, manufacture of masters for holograms, embossing, adhesive-coating and lamination, die-cutting, finishing, and quality control. The company's production facilities, located at Noida, Chennai (Tamil Nadu), and Pantnagar are ISO 9001-2000 certified. HIL has a technology tie-up with Hologram Industries, France, thereby giving it access to advanced techniques of master-origination and exposure to technological developments in holography.

Rating Strengths

- Established presence in hologram market in India
- Robust financial risk profile

Rating Weaknesses

- Limited growth prospects and exposure to revenue concentration risks
- Nascent state of hologram market in India

Outlook: Stable

CRISIL believes that HIL will maintain a stable business risk profile over the medium term, given its leadership position in the domestic secured holography market. The outlook may be revised to 'Positive' if HIL's operating income growth exceeds expectations, primarily through addition of more state excise departments to its customers list. Conversely, the outlook may be revised to 'Negative' if the company is unable to maintain its operating margin or contracts more-than-expected debt, leading to deterioration in its financial risk profile.

Key Rating Sensitivity Factors

- Working capital management
- Ability to sustain profit levels
- Sustained relationships with various state excise departments

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	802	695	556
OPBDIT	202	186	157
PAT	138	119	109
Tangible Networth	635	515	403
Total Debt	143	154	133

OPBDIT Margins (%)	25.1	26.2	27.5
Net Profit Margins (%)	17.1	16.8	19.0
Interest cover (times)	9.73	8.57	8.72
NCA / Total Debt (times)	1.03	0.91	0.86
Gearing (times)	0.22	0.30	0.33
Total Debt / PBDIT (times)	0.70	0.81	0.74

Home Idea Upholstery Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
16/Feb/2011	A	-	-	Stable

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Home Idea Upholstery Private Limited (HIUPL), D'Décor Home Fabrics Pvt Ltd (DDHFPL [formerly, Dicitex Décor Pvt Ltd]; rated 'CRISIL A/Stable/CRISIL A1') and D'Décor Exports (DDE [formerly, Dicitex Décor Exports; rated 'CRISIL A/Stable/CRISIL A1'), collectively these entities are referred to as the D'Décor group.

Set up in 2008, HIUPL is a distributor of home furnishings, and primarily deals in products manufactured by the D'Décor group. It has a network of dealers and retailers located across the country.

The D'Décor group was set up by Mr. V K Arora and his sons, Mr. Sanjay Arora and Mr. Ajay Arora, in the late 1990s. The group has a strong presence in the global home furnishings segment, especially in curtains, upholstery, and made ups. With four manufacturing units in Tarapur (Maharashtra), it is ranked among the top five manufacturers worldwide. The D'Décor group also manufactures women's dress material, which it sells in the domestic market and to Indian communities abroad. The group launched its D'Décor brand in 2010-11.

Rating Strengths

- Established track record in the construction business supported by strong order book position
- Healthy financial risk profile

Rating Weakness

- Limited revenue and geographical diversity

Outlook: Stable

CRISIL believes that the D'Décor group will maintain its market position in the upholstery and furnishing market over the medium term, backed by its strong brand image and vertically integrated operations. The outlook may be revised to 'Positive' if the group significantly improves its revenues and operating margin in a sustained manner, while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' if the D'Décor group undertakes a larger-than-expected, debt-funded capital expenditure (capex) programme, or reports significant decline in its operating margin because of increasing industry competition.

Key Rating Sensitivity Factors

- Working capital management
- Sustenance of order book position and execution
- Capex plans and their funding pattern
- More than expected drawings from the capital account of partners

Financial Performance (Standalone)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	442	86	-
OPBDIT	50	11	-
PAT	27	6	-
Tangible Networth	43	16	-
Total Debt	90	40	-
OPBDIT Margins (%)	11.3	13.2	-
Net Profit Margins (%)	6.2	7.2	-
Interest cover (times)	6.16	5.43	-
NCA / Total Debt times)	0.31	0.32	-
Gearing (times)	2.09	2.51	-
Total Debt / PBDIT (times)	1.81	7.06	-

HPL Additives Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
14/Sep/2009	A	-	A1	Stable

Company Background:

Incorporated in 1964 by Mr. Harcharan Singh, HPL Additives Ltd (HPL), is in the business of production of chemical-blowing agents, anti-oxidants, azo-initiators, and other specialty chemicals. These products are used as property modifiers in the plastic and rubber industries (for creating cellular structure in plastic or rubber) or as property extenders (for reducing degradation of plastic) in diverse end-user industries, such as automobiles, construction, furniture, and footwear. At present, there are only seven to eight players across the world in the plastic additives segment, and most of them are large multinationals, such as Ciba Speciality Chemicals (acquired by BASF AG in 2007-08), Chemtura Corp, Lanxess AG, Songwon Industrial Co Ltd (Songwon) and Otsuka Pharmaceutical Co. Ltd. A majority of these companies have their facilities either in China or South Korea. HPL has around 80 per cent share in the organised domestic plastic additives market. Exports form around 50 per cent of its total sales. The company has developed strong research and development (R&D) capabilities and has received the P.C. Ray Award for Development of Indigenous Technology, for 2007.

Rating Strengths

- Strong financial risk profile marked by high net worth and moderate debt protection measures
- Leadership position in plastic additives, and increasing presence in export market

Rating Weakness

- Vulnerability of margins to volatility in input costs and foreign exchange rate

Outlook: Stable

CRISIL believes that HPL will maintain its healthy financial risk profile over the medium term on the back of its moderate cash accruals and low gearing. The outlook may be revised to 'Positive' in case the cash accruals are substantially higher-than-anticipated and the company maintains its healthy capital structure. Conversely, the outlook may be revised to 'Negative' if HPL's profitability declines steeply, or if the company undertakes a large, debt-funded capital expenditure (capex) programme or acquisition, leading to deterioration in its capital structure.

Key Rating Sensitivity Factors

- Capex, investment in joint venture (JV), and its funding pattern
- Revenue growth and sustenance of operating margin
- Extent of buy back of shares
- Infusion of funds post stake sale in proposed JV

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2,131	1,902	1,826
OPBDIT	285	352	233
PAT	125	175	58
Tangible Networth	1,477	1,349	1,163
Total Debt	283	292	293
OPBDIT Margins (%)	13.0	18.1	12.5
Net Profit Margins (%)	5.7	9.0	3.1
Interest cover (times)	12.67	14.11	4.28
NCA / Total Debt (times)	0.75	0.88	0.42
Gearing (times)	0.19	0.22	0.25
Total Debt / PBDIT (times)	0.95	0.80	1.48

Hyderabad Chemical Products Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
15/Dec/2010	A	-	A1	Stable

Company Background:

For arriving at its rating, CRISIL has combined the business and financial risk profiles of Hyderabad Chemicals Limited (HCL) and its wholly owned subsidiaries, Hyderabad Chemical Products Ltd (HCPL) and Neo Seeds India Ltd (NSIL), together referred to herein as the HCL group.

HCL was established in 1954 by Mr. Ramesh Gandhi in Hyderabad (Andhra Pradesh). HCL manufactures various agrochemicals used for crop protection. The main shareholders in the company are Mr. Dipesh Shroff, Mr. Aswin Shroff, Mr. Atul Shroff, Mr. N Sukumar, and their families. The company has around 80 products, which it sells under various brand names. The HCL group markets its products in India through 27 depots and over 6000 distributors. HCL's plants are located at Balanagar (Andhra Pradesh) and Baribrahmana (Jammu & Kashmir), with a combined manufacturing capacity of 12,400 tonnes per annum.

HCPL was set up in 1990. It manufactures various technicals (chemical intermediates used in the manufacture of agrochemicals). HCPL's plant is located at Pashamylaram (Andhra Pradesh). The company is setting up its second manufacturing facility in Humnabad in Bidar district in Karnataka. This is expected to cost around Rs.130 million and would be entirely funded from internal accruals.

Rating Strengths

- Established market position in agrochemicals industry, extensive experience of the promoters, and moderate operating efficiency
- Above-average financial risk profile

Rating Weaknesses

- Susceptibility to volatility in raw material prices, and exposure to intense market competition
- Exposure to risks inherent in agrochemicals market and working capital intense nature of operations

Outlook: Stable

CRISIL believes that the HCL group will continue to benefit over the medium term from its established brand and its promoters' experience in the agrochemicals business. The outlook may be revised to 'Positive' if HCL scales up its operations, diversifies its revenue profile, and maintains its healthy profitability and capital structure, leading to improvement in its credit risk profile. Conversely, the outlook may be revised to 'Negative' if HCL's financial risk profile deteriorates because of a sharp decline in revenues and profitability, any time or cost overrun in project implementation, or large debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Any time or cost overrun in projects

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2379	2175	1715
OPBDIT	338	351	270
PAT	213	237	140
Tangible Networth	1384	1198	987
Total Debt	154	190	212
OPBDIT Margins (%)	13.6	15.6	14.9
Net Profit Margins (%)	8.6	10.5	7.8
Interest cover (times)	12.49	15.17	10.52
NCA / Total Debt (times)	1.49	1.34	0.80
Gearing (times)	0.11	0.16	0.22
Total Debt / PBDIT (times)	0.42	0.55	0.78

Hyderabad Chemicals Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
15/Dec/2010	A	-	A1	Stable

Company Background:

For arriving at its rating, CRISIL has combined the business and financial risk profiles of Hyderabad Chemicals Limited (HCL) and its wholly owned subsidiaries, Hyderabad Chemical Products Ltd (HCPL) and Neo Seeds India Ltd (NSIL), together referred to herein as the HCL group.

HCL was established in 1954 by Mr. Ramesh Gandhi in Hyderabad (Andhra Pradesh). HCL manufactures various agrochemicals used for crop protection. The main shareholders in the company are Mr. Dipesh Shroff, Mr. Aswin Shroff, Mr. Atul Shroff, Mr. N Sukumar, and their families. The company has around 80 products, which it sells under various brand names. The HCL group markets its products in India through 27 depots and over 6000 distributors. HCL's plants are located at Balanagar (Andhra Pradesh) and Baribrahmana (Jammu & Kashmir), with a combined manufacturing capacity of 12,400 tonnes per annum.

HCPL was set up in 1990. It manufactures various technicals (chemical intermediates used in the manufacture of agrochemicals). HCPL's plant is located at Pashamylaram (Andhra Pradesh). The company is setting up its second manufacturing facility in Humnabad in Bidar district in Karnataka. This is expected to cost around Rs.130 million and would be entirely funded from internal accruals. NSIL was set up in 2008. The company is into development and marketing of various kinds of seeds.

Rating Strengths

- Established market position in agrochemicals industry, extensive experience of the promoters, and moderate operating efficiency
- Above-average financial risk profile

Rating Weaknesses

- Susceptibility to volatility in raw material prices, and exposure to intense market competition
- Exposure to risks inherent in agrochemicals market and working capital intense nature of operations

Outlook:Stable

CRISIL believes that the HCL group will continue to benefit over the medium term from its established brand and its promoters' experience in the agrochemicals business. The outlook may be revised to 'Positive' if HCL scales up its operations, diversifies its revenue profile, and maintains its healthy profitability and capital structure, leading to improvement in its credit risk profile. Conversely, the outlook may be revised to 'Negative' if HCL's financial risk profile deteriorates because of a sharp decline in revenues and profitability, any time or cost overrun in project implementation, or large debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Any time or cost overrun in projects

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2379	2175	1715
OPBDIT	338	351	270
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Total Debt / PBDIT (times)	0.42	0.55	0.78

Hyundai Construction Equipment India Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
5/Feb/2009	A**			Stable

***Initial Bank loan rating assigned*

Company Background:

Hyundai Construction Equipment India Pvt Ltd (HCE), a wholly owned subsidiary of Hyundai Heavy Industries Company Ltd (HHI), South Korea, manufactures and trades in excavators. HCE was set up in Pune (Maharashtra) in June 2007 for about Rs.2 billion, as a greenfield production unit. The company commenced commercial operations in October 2008. HCE deals in excavators ranging from 8 to 80 tonnes. While the company manufactures 20-tonne (from October 2008) and 11-tonne (from January 2010) excavators, the other models are imported from HHI.

Established in 1973, HHI is a diversified company with revenues of over USD18 billion. HHI is the world's largest ship-building company, and its other business segments include offshore structures, plants, engines, and construction equipment.

Rating Strengths

- Access to technology and financial support from parent, HHI
- Improving market position in domestic excavator market

Rating Weaknesses

- Exposure to risks relating to cyclical nature of investments in infrastructure sector
- Susceptibility of operating margin to adverse movements in input prices and foreign exchange (forex) rates

Outlook: Stable

CRISIL believes that HCE will continue to increase its scale of operations over the medium term, supported by access to its parent's portfolio and the healthy prospects for the construction equipment sector in India. The outlook may be revised to 'Positive' if HCE reports more-than-expected business levels in terms of volumes and revenues, leading to increase in market share and cash generation, as well as manages its working capital prudently, leading to more-than-expected improvement in its capital structure and debt protection metrics. Conversely, the outlook may be revised to 'Negative' in case of less-than-expected improvement in HCE's operating performance, or if the company undertakes a larger-than-expected debt-funded capital expenditure (capex) programme, or if its working capital cycle lengthens, leading to lower-than-expected improvement in its capital structure and debt protection metrics.

Key Rating Sensitivity Factors

- Larger-than-expected debt-funded capex
- Working capital management
- Continued technical and financial support from HHI

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	5,292	2,598	605
OPBDIT	219	3	(217)
PAT	16	(213)	(333)
Tangible Networth	1,480	1,098	1,361
Total Debt	2,039	1,622	1,355
OPBDIT Margins (%)	4.0	0.1	-35.6
Net Profit Margins (%)	0.3	-7.8	-54.6
Interest cover (times)	2.15	0.05	(2.77)
NCA / Total Debt (times)	0.06	(0.08)	(0.43)
Gearing (times)	1.38	1.48	1.00
Total Debt / PBDIT (times)	8.75	257.65	(12.89)

IDMC Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
04/Oct/2011	A+	-	A1	Stable
03/Aug/2010	A	-	A1	Positive
12/May/2009	A	-	A1	Stable

Company Background:

IDMC Limited (IDMC) is a wholly owned subsidiary of The National Dairy Development Board (NDDB), which was constituted under an act of parliament, The NDDB Act, 1987. IDMC was initially set up in 1992 for providing inexpensive but quality machinery to dairy cooperatives and companies. The company, however, has expanded its portfolio to include machinery used in dairy, brewery, beverage, pharmaceutical, and refrigeration (liquid and air) units, as well as plate heat exchangers (PHE) for dairy, power, and steel plants.

IDMC has four manufacturing units in its engineering division in Anand (Gujarat). Key products in this division include bulk milk coolers (BMC), silos, fermenters, PHE, and heating, ventilating and air-conditioning (HVAC) products. The company also executes turnkey projects for dairies and breweries. It has entered into arrangement with Krones AG (Krones) for supply of entire brewery plant in a complete knock down (CKD) form.

IDMC also has a poly film packaging manufacturing plant with a total capacity of 9100 tonnes per annum (tpa) at Anand. The largest customer of this plant is Mother Dairy Fruit & Vegetables Pvt Ltd (Mother Dairy, another wholly owned subsidiary of NDDB), and meets 80 per cent of Mother Dairy's requirements. Other customers of IDMC include large corporates such as Britannia Industries Limited (rated 'CRISIL AAA/Stable/CRISIL A1+'), ITC Limited (rated 'CRISIL AAA/Stable/CRISIL A1+'), Procter & Gamble Hygiene and Health Care Ltd (P&G), and Gujarat Co-operative Milk Marketing Federation (rated 'CRISIL AAA/Stable/CRISIL A1+').

Rating Strengths

- Diversified revenue profile and improving operating margin
- Healthy financial risk profile
- Support from strong parent, NDDB

Rating Weaknesses

- Cyclicality in capital goods industry
- Vulnerability of operating margin to fluctuations in stainless steel and polymer prices

Outlook: Stable

CRISIL believes that IDMC will maintain its strong financial risk profile, supported by efficient working capital management, cost-effective financial support from NDDB, and absence of any large, debt-funded capex programme. The outlook may be revised to 'Positive' in case of significant increase in IDMC's scale of operations without any deterioration in the capital structure. Conversely, the outlook may be revised to 'Negative' in case of decline in the company's profitability, any unprecedented stretch in its working capital cycle, or if it undertakes a debt-funded capital expenditure (capex), impacting the financial risk profile.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Any unrelated diversifications
- Continuity of financial support from NDDB

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	3,661	3,167	2,500
OPBDIT	550	499	316
PAT	232	195	102
Tangible Networth	898	698	531
Total Debt	1,054	1,153	960
OPBDIT Margins (%)	13.9	14.0	10.2
Net Profit Margins (%)	5.9	5.5	3.3
Interest cover (times)	4.73	4.06	3.33
NCA / Total Debt (times)	0.27	0.20	0.13
Gearing (times)	1.17	1.65	1.81
Total Debt / PBDIT (times)	1.92	2.35	3.11

IL&FS Transportation Networks Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A		A1	Rating watch with developing implications
Rating History				
22/Dec/2011	A	-	A1	Placed on Rating watch with developing implications
27/Jul/2011	A	-	A1	Stable

Company Background

For arriving at its ratings, CRISIL has adopted a moderate integration approach with respect to IL&FS Transportation Networks Ltd's (ITNL's) special-purpose vehicles (SPVs). In line with the approach, CRISIL has factored in the equity and cost overrun support from ITNL to its SPVs. Furthermore, CRISIL has factored in a limited additional support from ITNL in the event of an exigency in the initial years of operations of the SPVs. Also, CRISIL has consolidated its foreign subsidiary Elsamex SA (Elsamex).

ITNL was incorporated in 2000 by IL&FS in order to consolidate their road infrastructure projects and to pursue new projects in the area of surface transportation infrastructure through the public-private-partnership (PPP) model. ITNL is primarily involved in the development, operation, and maintenance of national and state highways. In recent times, ITNL has also started to diversify in other segments of transportation such as airports, metros, and bus transportation. In March 2008, ITNL acquired Elsamex to facilitate entry to international markets, including Spain, Portugal, and Latin America, and to have access to advanced road maintenance technology. Elsamex's primary business is the maintenance of roads, buildings and petrol stations, mainly in Spain, with additional operations in Portugal, Columbia, and Mexico.

CRISIL had recently placed the ratings on watch following ITNL's announcement that it is in the process of acquiring, through its wholly owned Singapore-based subsidiary, ITNL International Pte Ltd (IIPL), 49 per cent equity stake in Chongqing Yu He Expressway Company Ltd (CYECL) for USD170 million. The transaction is currently under progress. The expressway is located in southwestern China and has been operational since 2002. IIPL will be funding the transaction with a bridge loan of USD140 million and ITNL's contribution of USD30 million. IIPL's debt is being backed by a guarantee from ITNL.

Rating Strengths

- Market leader in road sector; well-placed to capitalise on sector's growth potential
- Strong project implementation capabilities
- Healthy financial flexibility

Rating Weaknesses

- Increase in number and scale of projects leading to sizeable equity commitment
- Funding support required by subsidiaries/SPVs
- Refinancing risk in absence of long-term funding tie-ups

Key Rating Sensitivity Factors

- Successful completion of SPV projects within budgeted time and cost
- Larger-than-expected increase in size and quantum of additional projects
- Unexpected support requirement from SPVs and Elsamex, affecting cash flows

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	16,158	8,455	1,321
OPBDIT	5,521	5,855	498
PAT	2,880	2,957	404
Tangible Networth	17,001	15,141	7,326
Total Debt	18,941	14,500	6,440

OPBDIT Margins (%)	34.1	66.7	37.1
Net Profit Margins (%)	17.8	33.7	30.1
Interest cover (times)	3.94	4.41	4.75
NCA / Total Debt times)	0.12	0.16	0.03
Gearing (times)	1.11	0.96	0.88
Total Debt / PBDIT (times)	NP	NP	NP

India Pistons Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A1	Stable
Rating History				
06/Nov/2009	A-**		A1**	Stable

***Initial Bank Loan Rating Assigned*

Company Background:

To arrive at its ratings, CRISIL has combined the financial risk profiles of India Pistons Ltd (India Pistons) and its subsidiaries IP Pins & Liners Ltd (IPP&L) and IPL Engine Components Ltd (ECL). India Pistons was set up in 1949 as a joint venture (JV) between Simpson & Co. Ltd (Simpson) and Associated Engineering Co (renamed T&N Plc, subsequently acquired by Federal Mogul Corporation, USA [FMC]). In 2007, Simpson acquired FMC's 30 per cent stake in India Pistons to make it a 100 per cent subsidiary. India Pistons manufactures pistons, piston rings, cylinder liners, and gudgeon pins, and has manufacturing facilities in Sembiam (Chennai, Tamil Nadu). Following an agreement with the Germany-based Mahle GmbH, India Pistons demerged its plant in Maraimalai Nagar, effective from January 31, 2008, to form a 50:50 JV, Mahle-India Pistons Ltd (MIPL), for manufacturing pistons.

India Pistons is currently enhancing its production capacity to 4.2 million pistons and 30 million piston rings per annum from its current level of 2.4 million pistons and 15 million pistons rings, respectively, at a cost about Rs.0.8 billion, between 2010-11 and 2012-13.

Rating Strengths

- Established position in the domestic piston and rings market, supported by segmental diversity
- Support from Amalgamations group companies, parent Simpson, and ultimate holding company, Amalgamations Pvt Ltd (APL)

Rating Weaknesses

- Susceptibility of operating profitability to input price increases and competitive pressures
- Moderate financial risk profile

Outlook:Stable

CRISIL believes that India Pistons will maintain its credit profile over the medium term supported by its established position in the aftermarket for pistons and piston parts and steady off-take from tractor original equipment manufacturers. Also, CRISIL believes that the company will continue maintaining adequate cash surpluses over the medium term. The outlook may be revised to 'Positive' in case of better than anticipated improvement in India Pistons' business levels and profitability, or if its promoters infuse significant equity into the company, leading to a better-than-expected correction in its gearing. Conversely, the outlook may be revised to 'Negative' in case of a steep decline in India Pistons' profitability, cost or time overruns in the proposed expansion, or additional debt-funded capital expenditure (capex), leading to weakening in the company's gearing and debt protection metrics.

Key Rating Sensitivity Factors

- Operating profitability trends
- Any additional debt-funded capex or acquisition
- Timely completion of capex within planned budgets and utilisation levels thereafter
- Equity infusions

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2996	2375	2258
OPBDIT	265	296	8
PAT	56	129	-145
Tangible Networth	864	816	702
Total Debt	1283	1027	1005

OPBDIT Margins (%)	8.7	12.1	0.3
Net Profit Margins (%)	1.8	5.3	-6.3
Interest cover (times)	2.69	2.70	0.59
NCA / Total Debt (times)	0.12	0.21	(0.05)
Gearing (times)	1.49	1.26	1.43
Total Debt / PBDIT (times)	4.21	3.17	12.35

IndianOil Skytanking Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Positive
Rating History				
07/Sep/2010	A+	-	-	Positive
22/May/2008	A+	-	-	Stable

Company Background:

Incorporated in 2006, and based in Bengaluru, IndianOil Skytanking Limited (IOSL) is a joint venture between Indian Oil Corporation Ltd (IOCL, rated 'CRISIL AAA/Negative/CRISIL A1+'), Indian Oil Tanking Ltd, and Skytanking Holding GmbH, Germany. IOSL was set up to operate aviation fuel farm facilities for Bengaluru International Airport Ltd (BIAL) and other airports in India. The company has a 20-year contract to set up and operate the fuel farm facility for BIAL, where it began operations in May 2008. IOSL's operations at the fuel farm facility for Delhi International Airport Ltd (DIAL) begun in August 2010. IOSL also provides into-plane facilities for refuelling of planes in the Bengaluru and Delhi airports.

Rating Strengths

- Sole service provider of fuel farm facility service at BIAL; awarded new contract at DIAL
- Stable business model
- Operational, managerial, and financial support from parent, IOCL

Rating Weakness

- Exposure to cyclicality in airline business

Outlook: Positive

CRISIL believes that IOSL's financial risk profile will improve over the medium term on the back of steady cash accruals and lower reliance on debt. The ratings may be upgraded if the company generates more-than-expected revenues from its current and new operations, while sustaining its capital structure. Conversely, the outlook may be revised to 'Stable' if IOSL contracts higher-than-expected debt to fund capital expenditure, or if its cash flows are impacted due to adverse regulatory changes.

Key Rating Sensitivity Factors

- Impact of high volatility in throughput volumes on profitability
- Regulation of service contract rates by external agency, Airport Economic Regulatory Authority

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2,439	647	336
OPBDIT	256	154	67
PAT	74	71	-36
Tangible Networth	627	386	314
Total Debt	672	659	685
OPBDIT Margins (%)	10.4	23.8	19.9
Net Profit Margins (%)	3.0	11.0	-10.8
Interest cover (times)	3.93	2.31	1.01
NCA / Total Debt (times)	0.21	0.2	0.03
Gearing (times)	1.07	1.71	2.18
Total Debt / PBDIT (times)	2.55	4.13	9.55

Indo-US MIM Tec Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
15/Dec/2010	A		A1	Stable
29/Mar/2010	BBB+		A2+	Positive
12/Feb/2009	BBB+**		A2**	Stable

***Initial Bank loan rating assigned*

Company Background:

Indo-US MIM Tec Private Limited (Indo-US MIM, formerly known as AF Technologies India Pvt Ltd) was set up in 1996 by Mr. Krishna Chivukula. The company manufactures and supplies metal-injection-moulding (MIM) parts, which are used in components for handguns and shotguns, firearm parts, hand and power tools, sporting goods, automotive components, and telecommunications and computer peripherals. Indo-US MIM has clients in about 20 countries. It derives about 90 per cent of its revenue from exports, of which the US contributes about 55 per cent, and the European and Asian countries account for the remainder. It has capex plans of Rs.1.4 billion for the next two years, Rs.360 million for the machining shop and the remainder for capacity additions in the MIM business division.

Rating Strengths

- Established market position in the MIM industry
- Robust financial risk profile
- Product and geographical diversification

Rating Weaknesses

- Exposure to raw material price volatility and fluctuations in foreign exchange (forex) rates
- Working-capital-intensive nature of operations

Outlook: Stable

CRISIL expects Indo-US MIM to maintain its credit risk profile backed by its established position in the MIM segment and will generate sizeable cash accruals over the medium term. The outlook may be revised to 'Positive' if Indo-US MIM, after capacity expansion, stabilises operations at the machining units of its aerospace business division, thereby leading to significant increase in its scale of operations and, consequently, in revenues. Conversely, the outlook may be revised to 'Negative' if the company's operating margin declines, its working capital borrowings increase, operations at its new capacities do not stabilise as per schedule, or its capital structure weakens because of more-than-expected debt contracted for the capital expenditure (capex).

Key Rating Sensitivity Factors

- Performance in the machining business
- Input cost volatility and ability to pass on raw material cost increase to customers
- Deviation from the current practice of hedging its whole forex exposure
- Sustainable improvement in working capital management
- Sustainability of current profit margin

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1456	1270	1164
OPBDIT	532	284	210
PAT	252	71	31
Tangible Networth	601	460	439
Total Debt	380	569	666

OPBDIT Margins (%)	36.5	22.3	17.9
Net Profit Margins (%)	17.3	5.6	2.6
Interest cover (times)	9.68	2.91	2.23
NCA / Total Debt (times)	0.58	0.15	0.13
Gearing (times)	0.63	1.24	1.52
Total Debt / PBDIT (times)	0.71	2.03	3.19

IndusInd Media & Communications Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
20/Sep/2011	A**			Stable

***Initial Bank loan rating assigned*

Company Background

For arriving at its rating, CRISIL has combined the business and financial risk profiles of IndusInd Media & Communications Ltd (IMCL), IMCL's fifteen subsidiaries, a joint venture company of IMCL and RMD Baroda Network Pvt Ltd, and an associate company, Planet E-Shop Holdings India Ltd. All the entities are collectively referred to as the IMCL-combine herein.

IMCL is the subsidiary of Hinduja Ventures Ltd (HVL), which is a part of the Hinduja group. HVL manages the Hinduja group's interests in the media and entertainment industry. IMCL is India's leading integrated multi-system cable and broadcast operator, with presence across 31 cities, including 18 key cities and metros, reaching approximately 8.5 million households and offering both digital and analog services. IMCL is India's first ISO 9001:2000 cable television (TV) services company, with over 2700 affiliated local cable operators and over 400,000 set top boxes already installed. IMCL has been acquiring major cable networks in key regions to leverage its position in the market. Furthermore, these network acquisitions are also expected to extend the market reach of IMCL.

IMCL's main business includes Cable, Broadband Services and Internet/VoIP offerings to the customers. IMCL also owns a 10000-km communications web of hybrid fibre coax (HFC) and Broadband cable services- In2cable across 12 cities. Incablenet is the brand name of the cable TV analogue service owned by IMCL. Indigital is the brand name of Digital services.

Rating Strengths

- Strategic role that IMCL-combine plays in Hinduja group's initiative to increase its footprint in cable distribution industry
- Combine's established market position in cable television (TV) industry
- Healthy financial risk profile

Rating Weaknesses

- Combine's vulnerability to intense competition in cable TV distribution industry
- Susceptibility to adverse regulatory changes.

Outlook: Stable

CRISIL believes that, the IMCL-combine's operating income and profitability will continue to improve over medium term, backed by healthy demand in the cable TV distribution industry and increasing number of channels. The combine's financial risk profile is expected to remain healthy over the medium term despite its aggressively debt-funded capex plans. The outlook may be revised to 'Positive' if the combine increases its subscriber base and average revenue per user to more-than-expected levels, leading to significant improvement in its profitability. Conversely the outlook may be revised to 'Negative' if the combine's subscriber base diminishes because of increasing competition, there is material decline in support for IMCL from its parent, HVL, or in the event of any adverse regulatory changes.

Key Rating Sensitivity Factors

- Increase in subscriber base and average revenue per user
- Larger-than-expected debt-funded capital expenditure
- Adverse regulatory changes

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	3,684	2,768	2,522
OPBDIT	903	480	285
PAT	666	346	251
Tangible Networth	1,662	831	457
Total Debt	2,112	1,718	2,341
OPBDIT Margins (%)	24.4	17.3	11.0
Net Profit Margins (%)	18.0	12.4	9.7
Interest cover (times)	4.73	4.51	6.08
NCA / Total Debt times)	0.44	0.32	0.17
Gearing (times)	1.27	2.07	5.12
Total Debt / PBDIT (times)	NP	NP	NP

CRISIL RATINGS 25 YEARS MAKING MARKETS FUNCTION BETTER

Infrasoft Technologies Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A1	Stable
Rating History				
27/Jan/2009	A-**		A1**	Stable

Company Background:

Infrasoft Technologies Ltd (Infrasoft) started its operation in 1995. The company was promoted by three technocrats Mr. Hanuman Tripathi, Mr. Manindar Singh and Mr. Ramesh Govindan with equity support from; Batlivala & Karani Securities India Pvt Ltd. Infrasoft provides information technology (IT)-based products and solutions in the banking, financial services and insurance (BFSI) vertical. It delivers software products and solutions, and specialised software services in the domains of retail and investment banking, e-channels, trading, wealth management, Islamic finance, and anti money laundering.

Rating Strengths

- Robust financial risk profile
- Established relationships with reputed clients
- Strong and experienced management

Rating Weaknesses

- Modest size of operation
- Overdependence on BFSI sector

Outlook: Stable

CRISIL believes that Infrasoft would maintain steady revenues from its services division and from new client additions in its product segment. The outlook may be revised to 'Positive' in case of substantial improvements in the company's margins. Conversely, the outlook may be revised to 'Negative' in case of deterioration in Infrasoft's operating margins or if the company makes large debt-funded acquisitions.

Key Rating Sensitivity Factors

- Foreign currency movement (Rupee against the UK pound)
- Economic environment in the UK/European Union (EU)
- Acquisition strategy/size

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1052	953	940
OPBDIT	170	88	40
PAT	154	85	3
Tangible Networth	767	665	575
Total Debt	2	19	24
OPBDIT Margins (%)	16.2	9.2	4.3
Net Profit Margins (%)	14.7	8.9	0.3
Interest cover (times)	-	8.28	5.72
NCA / Total Debt times)	67.15	4.7	0.9
Gearing (times)	0.002	0.03	0.04
Total Debt / PBDIT (times)	0.01	0.16	0.67

Injectoplast Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A1	Stable
Rating History				
24/Nov/2008	A-**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Injectoplast Pvt Ltd (IPL), part of the Lohai group which includes Lohia Starlinger Ltd (LSL, rated 'CRISIL AA-/CRISIL A1+) and Threads (India) Ltd (TIL, rated CRISIL A-/Stable/CRISIL A1), was incorporated in 1988, and manufactures auto components, electrical appliances, and machine building parts. The company is predominantly into manufacturing precision automotive components (PACs). It also develops moulds for different parts of cars and utility vehicles (UVs), mainly suspension and braking system parts, rack and pinion boots, engine under-hood parts, radiator end tanks, car interior trims, door striker parts, grab handles, and reflectors, among other components. These parts are supplied to various Tier-I manufacturers, such as Visteon Automotive Systems India Ltd (supplier to Maruti Suzuki India Ltd [Maruti Suzuki, rated 'CRISIL AAA/Stable/CRISIL A1+'] and Toyota Kirloskar Motors Ltd), Climate Systems of India (promoted by Maruti Suzuki), and Delphi Automotive Systems Ltd (Delphi Automotive Systems, components used in Maruti Alto, Indica, and Estilo). IPL has two manufacturing facilities, in Kanpur and in Chennai. The company plans to set up a plant in Pune to cater to the plastic-based PAC requirements of General Motors India Private Limited and Volkswagen Group Sales India Private Limited (CRISIL A+/Positive/CRISIL A1).

LSL is into manufacturing of machines for high density polyethylene/polypropylene bags. TIL produces a wide range of synthetic threads catering to the demands of different industries, such as leather goods, readymade garments, and sports goods.

Rating Strengths

- Established presence in auto components market, especially in plastic-based PACs
- Moderate but improving financial risk profile
- Support from Lohia group companies

Rating Weaknesses

- Revenue concentration in passenger car segment
- Susceptibility to volatility in raw material prices, and pricing pressures from original equipment manufacturers (OEMs)
- Large working capital requirements

Outlook: Stable

CRISIL believes that IPL's revenues will witness moderate growth in 2011-12 because of a slowdown in demand for passenger cars in the domestic market, and gradually improve over the medium term with supplies to new customers, and new products currently under development. The intense competition in the domestic car segment is expected to result in OEMs exerting stiff pressure on Tier-I component suppliers including IPL; this could result in a moderation in its operating profitability over the medium term. In the absence of sizeable capital expenditure (capex), IPL's financial risk profile is expected to remain adequate during the same period. The rating outlook may be revised to 'Positive' if IPL's revenues increase significantly because of successful additions of new customers and products, and if its operating profitability is maintained at healthy levels over the medium term. Conversely, the outlook may be revised to 'Negative' in case of lower-than-expected revenue growth and operating profitability, and large debt-funded capex.

Key Rating Sensitivity Factors

- Volatility in cost of raw material
- Acceptability of new products under development
- Debt funded capex

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	899	631	452
OPBDIT	138	108	64
PAT	66	46	19
Tangible Networth	276	225	190
Total Debt	166	100	91
OPBDIT Margins (%)	15.1	16.8	14.1
Net Profit Margins (%)	7.2	7.1	4.1
Interest cover (times)	17.09	12.54	10.84
NCA / Total Debt times)	0.48	0.59	0.44
Gearing (times)	0.60	0.45	0.48
Total Debt / PBDIT (times)	1.20	0.95	1.47

Inox India Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
10/June/2009	A+**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at the rating, CRISIL has combined the business and financial risk profiles of Inox India Ltd (Inox India) and its 70 per cent owned subsidiary, Cryogenic Vessel Alternatives Inc; USA (CVA; based in the US, acquired by Inox India in December 2009), together referred to as the Inox group.

Established in 1992, Inox India manufactures atmospheric vaporisers, cryo-seal containers (cryo containers), and disposable-gas-cylinders. It also undertakes customised engineering contracts. The company is managed by Mr. P K Jain, a technocrat with more than 35 years of industry experience. CVA, a US-based manufacturer of cryogenic transportation equipment, has its manufacturing unit at Mont Belvieu, Texas, and has a presence in Canada and China.

Rating Strengths

- Strong market position in, and healthy growth potential of the cryogenic products industry
- Healthy operating efficiency

Rating Weaknesses

- Exposure to intense competition in international markets
- Average financial risk profile

Outlook: Stable

CRISIL believes that Inox group's business risk profile will strengthen over the medium term because of its strong market position in, and healthy growth potential of, the cryogenic products industry. This will be further supported by CVA's strong order book position, driven by healthy demand for exploration activities from the shale gas industry. The outlook may be revised to 'Positive' if the group registers significant and sustainable growth in its revenues, coupled with healthy profitability, resulting in significant improvement in its financial risk profile. Conversely, the outlook may be revised to 'Negative' if the Inox group's financial risk profile does not improve as expected, or if it contracts more-than-expected debt to fund its capital expenditure (capex) programmes or acquisitions.

Key Rating Sensitivity Factors

- Volatility in raw material prices
- Incremental, large debt-funded capex or acquisition

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	4172	2786	2384
OPBDIT	765	684	593
PAT	314	334	302
Tangible Networth	1642	1411	941
Total Debt	1641	1576	388
OPBDIT Margins (%)	18.0	24.0	24.1
Net Profit Margins (%)	7.4	11.7	12.3
Interest cover (times)	13.08	43.03	4.95
NCA / Total Debt times)	0.31	0.31	0.75
Gearing (times)	1.00	1.12	0.41
Total Debt / PBDIT (times)	2.06	2.20	0.65

INOX Leisure Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
18/Dec/2008	A+**		A1+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of INOX Leisure Ltd (INOX) and Fame India Ltd (Fame), as INOX now holds a majority stake in Fame and both the entities are in the same line of business. In January 2011, INOX had completed the acquisition of a majority stake in Fame; it now has a 50.27 per cent of the issued and paid-up capital of Fame.

Incorporated in November 1999, INOX is in the business of film exhibition: it establishes and operates multiplexes in various parts of the country. Gujarat Fluorochemicals Ltd (GFCL, rated 'CRISIL AA-/Stable/CRISIL A1+') holds around 66 per cent of INOX's shares. INOX set up its first multiplex in May 2002 in Pune (Maharashtra) and the next in Vadodara (Gujarat) in October the same year. Fame, incorporated in 1999, is also engaged in the film exhibition business. The company set up its first multiplex in Andheri, Mumbai. At present, INOX and Fame together operate 63 multiplexes with 239 screens (INOX: 38 multiplexes with 144 screens across 25 cities; Fame: 25 multiplexes with 95 screens across 12 cities). The acquisition of a majority stake in Fame has enabled INOX to become the second-largest multiplex operator in India.

Rating Strengths

- Established position and strong brand in film exhibition business
- Healthy operating efficiency
- Support from parent, GFCL

Rating Weaknesses

- Exposure to risks inherent to film exhibition business
- Aggressive capital expenditure (capex) plans

Outlook: Stable

CRISIL believes that INOX's business risk profile will continue to be supported over the medium term by expansion in the exhibition business owing to rollout of additional screens and the acquisition of a majority stake in Fame. The company's financial risk profile is expected to remain comfortable over this period due to low external debt despite capex plans. The outlook may be revised to 'Positive' in case of a significant and sustainable improvement in the combined entity's revenues and profitability, leading to improvement in its business risk profile while sustaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' in case Inox's properties do not perform as expected, the average occupancy or average ticket prices decline sharply, or it is unable to derive operating efficiencies from the acquisition of Fame over the medium term.

Key Rating Sensitivity Factors

- Deterioration in capital structure
- Fresh capex and its funding
- Major investments in new businesses and their funding pattern

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2903	2147	1,956
OPBDIT	333	365	397
PAT	70	261	243
Tangible Networth	3166	3096	2,805
Total Debt	2120	1863	449
OPBDIT Margins (%)	11.5	17.0	19.9
Net Profit Margins (%)	2.4	12.1	12.2
Interest cover (times)	2.10	9.51	10.23
NCA / Total Debt times)	0.12	0.22	0.91
Gearing (times)	0.67	0.60	0.16
Total Debt / PBDIT (times)	NP	NP	NP

Inox Wind Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
5/Jan/2011	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Inox Wind Ltd (Inox Wind), a 99.99 per cent subsidiary of Gujarat Fluorochemicals Ltd (GFL, rated 'CRISIL AA-/Stable/CRISIL A1+'), was incorporated in April 2009. The company manufactures nacelles, hubs, rotor blades, and towers that are used to manufacture and assemble wind turbines. Inox Wind also provides associated services such as operations and maintenance of wind turbines, and project execution as well as infrastructure development for wind farms. The company has set up two units, one at Una (Himachal Pradesh), to manufacture nacelles and hubs, and the other at Bawla (Gujarat), to manufacture blades and towers. During 2009-10 (refers to financial year, April 1 to March 31), Inox Wind started operations at the Una plant. The company has successfully commissioned its first turbine, for which it outsourced the blades and the tower. It has recently produced its second turbine and its first two sets of blades.

Rating Strengths

- Strong financial and managerial support that Inox Wind gets from its parent, GFL
- Moderate demand risk due to sales to the parent, GFL
- Strong business prospects for the renewable energy sector in India

Rating Weaknesses

- High technology and implementation risk
- Limited track record
- Strategic importance to GFL could be impacted in case Inox wind is not able to produce turbines of desired quality

Outlook: Stable

CRISIL believes that Inox Wind will successfully manufacture and commission wind turbines for GFL and will also cater to the merchant market, despite the technology-related risks it faces in its operations. CRISIL also believes that as Inox Wind is 99.99 per cent owned by, and strategically important to, GFL, the parent will continue to provide financial and managerial support to the subsidiary. The outlook may be revised to 'Positive' on demonstration of a sustained healthy operating performance, as reflected in the timely ramp-up of production volumes and healthy operating margin. Conversely, the outlook may be revised to 'Negative' if Inox Wind faces delays in manufacturing and commissioning turbines, or reports lower-than-expected profitability.

Key Rating Sensitivity Factors

- Continued support from parent, GFL
- Establishing track record in the new business with timely ramp up of volumes
- Demonstrate technological know-how
- Credit risk profile of GFL

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	78	-	-
OPBDIT	-3	-	-
PAT	-12	-	-
Tangible Networth	186	-	-
Total Debt	570	-	-
OPBDIT Margins (%)	-4.1	-	-
Net Profit Margins (%)	-15.9	-	-
Interest cover (times)	-0.43	-	-
NCA / Total Debt times)	-0.01	-	-
Gearing (times)	3.07	-	-
Total Debt / PBDIT (times)	NP	-	-

Insecticides (India) Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
20/May/2011	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Incorporated in 1996, Insecticides (India) Limited (IIL) is promoted by Mr. Rajesh Aggarwal and family. It commenced operations in the agrochemicals industry in 2002, and manufactures and sells formulations and technicals of plant protection chemicals and household pesticides. It has four manufacturing units, at Chopanki (Rajasthan), Samba and Udhampur (Jammu & Kashmir), and Dahej (Gujarat). It currently has a total manufacturing capacity of 11.5 million litres of Emulsifible concentrate (EC), 6600 tonnes per annum (tpa) of wettable dispersible powder (WDP), 13,600 tpa of granules, and 3800 tpa of technicals. Its units are ISO 9001:2000 and ISO 14001-2004 certified.

IIL came out with an initial public offering in 2007, and its shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

Rating Strengths

- Healthy business risk profile, marked by promoters' extensive experience, strong brand positioning, and wide geographical reach
- Comfortable financial risk profile, supported by conservative approach towards debt

Rating Weaknesses

- Exposure to risks inherent in domestic agrochemicals market, volatility in raw material prices
- Large working capital requirements, marked by high inventory holding level

Outlook: Stable

CRISIL believes that IIL will continue to maintain its credit risk profile over the medium term backed by its strong brand positioning, promoters' extensive industry experience and its comfortable financial risk profile, marked by low gearing and sound debt protection metrics. The outlook may be revised to 'Positive' in case of earlier-than-expected stabilisation of IIL's proposed capital expenditure (capex), leading to improvement in its scale of its operations, or it reports better-than-expected topline or margins. The outlook may be revised to 'Negative' if IIL undertakes a larger-than-expected, debt-funded capex programme over the medium term, or reports a significant decline in its topline or margins.

Key Rating Sensitivity Factors

- Successful launch of new products and market acceptability
- Topline level and operating margins
- Capex and its funding
- Working capital management
- Dividend payout

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3,773	2,634	1,974
OPBDIT	357	267	181
PAT	282	208	143
Tangible Networth	1,224	969	790
Total Debt	219	138	150
OPBDIT Margins (%)	9.5	10.1	9.2
Net Profit Margins (%)	7.5	7.9	7.2
Interest cover (times)	14.52	9.96	9.17
NCA / Total Debt times)	1.21	1.38	0.87
Gearing (times)	0.18	0.14	0.19
Total Debt / PBDIT (times)	0.60	0.49	0.76

Institute of Management Studies Society

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
26/Apr/2011	A-**			Stable

***Initial Bank loan rating assigned*

Company Background

Institute of Management Studies Society (IMSS) was set up in 1990, and currently operates three educational institutes namely: Institute of Management Studies (set up in 1990-91) IMS Campus II (2000-01), and IMS Engineering College (2002-03). The society offers various graduate and post graduate courses such as Bachelor of Technology, Master of Technology, Bachelor of Computer Application, Master of Computer Application, Bachelor of Science, and Master of Science among others. The technical courses are approved by the All India Council for Technical Education (AICTE) and are affiliated to the Uttar Pradesh Technical University, Lucknow, while the other courses are affiliated to Chaudhary Charan Singh University, Meerut in Uttar Pradesh. Currently, the society's institutes have a total of 4930 students; the total intake of students in the first year of their respective courses is 2046.

Rating Strengths

- Healthy financial risk profile
- Strong market position with diversified revenues streams across various disciplines
- Healthy demand prospects for education sector

Rating Weaknesses

- Modest scale of operations with geographical concentration
- Operations vulnerable to government regulations

Outlook: Stable

CRISIL believes that IMSS will maintain its healthy financial and liquidity profile supported by its expected sizeable cash accruals over the medium term, despite its large capital expenditure (capex) programme. The outlook may be revised to 'Positive' if IMSS expands its scale of operations and revenue by ramping up students' intake in its new college. Conversely, the outlook may be revised to 'Negative' if IMSS's liquidity comes under pressure on account of funding of its large debt-funded capex primarily through cash accruals.

Key Rating Sensitivity Factors

- Sustenance of strong cash flow management policy
- Timely approval from regulatory bodies for commencement of proposed new facility
- Continuous accreditation by AICTE /affiliated universities
- Change in legal/regulatory guidelines for educational institutions

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	488	366	275
OPBDIT	140	123	128
PAT	86	68	78
Tangible Networth	469	382	314
Total Debt	92	106	104

OPBDIT Margins (%)	28.6	33.5	46.4
Net Profit Margins (%)	17.6	18.6	28.1
Interest cover (times)	17.93	12.51	18.38
NCA / Total Debt times)	1.54	1.13	1.18
Gearing (times)	0.20	0.28	0.33
Total Debt / PBDIT (times)	0.61	0.81	0.80

Interarch Building Products Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2	Stable
Rating History				
22/Feb/2011	A-		A2	Stable
11/May/2010	A		A2+	Negative
9/Feb/2009	A+**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Interarch Building Products Private Limited (Interarch), incorporated in 1983, is promoted by Mr. Gautam Suri and Mr. Arvind Nanda. Headquartered in Noida (Uttar Pradesh), the company manufactures metal ceilings, metal roofing and claddings, and pre-engineered buildings. It started operations in 1984 as a consultant for Delhi Airport, and later started manufacturing metal ceilings. It began manufacturing pre-engineered buildings at its own plant in 2001. Interarch's plants are located in Greater Noida, Chennai, and Uttarakhand. The company is one of the dominant players in the Indian pre-engineered building industry and has operations predominantly in North India. It is looking to increase its presence in South India over the medium term.

Rating Strengths

- Conservative capital structure, marked by large net worth and low gearing
- Healthy business risk profile backed by established position in pre-engineered building industry

Rating Weaknesses

- Vulnerability to fluctuations in business cycle
- Weak debt protection metrics
- Lengthening of working capital cycle

Outlook: Stable

CRISIL believes that Interarch's business risk profile will remain stable over the medium term on the back of a change in the company's strategy to undertake smaller projects and thereby diversify its customer profile. The outlook may be revised to 'Positive' in case of a substantial reduction in the company's working capital cycle, supported by lower receivable days and improvement in debt protection metrics as a result of improvement in profitability. Conversely, the outlook may be revised to 'Negative' in the event of further significant debtor write-offs or decline in Interarch's profitability.

Key Rating Sensitivity Factors

- Further losses arising from bad debts, expenses for additional work
- Continued stretch in working capital

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2207	5085	4326
OPBDIT	(220)	123	608
PAT	(386)	(79)	481
Tangible Networth	1427	1815	1891
Total Debt	600	660	153
OPBDIT Margins (%)	(9.7)	2.4	14
Net Profit Margins (%)	(17.1)	-1.5	11.1
Interest cover (times)	(2.54)	1.42	9.72
NCA / Total Debt times)	(0.52)	0.04	1.14
Gearing (times)	0.42	0.36	0.08
Total Debt / PBDIT (times)	(2.91)	5.76	0.23

International Print-O-Pac Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
7/May/2008	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

International Print-o-Pac Ltd (IPP) was set up by Mr. Ravindra Singhvi and his wife, Mrs. Amila Singhvi, in 1981. The company has been managed by Mr. Singhvi as chairman and Mrs. Singhvi as managing director. In 2001, their son, Mr. Rishabh Singhvi, also joined the business. IPP is into packaging (production of printed duplex board cartons for retail sale) and commercial printing of magazines, books, diaries, and annual reports for companies. In 2006-07, IPP raised Rs.550 million from private equity player Blue River Capital. IPP had plans to acquire a printing and packaging unit in Europe or set up a printing unit in Mundra, Gujarat; these plans have, however, been deferred.

Rating Strengths

- Established market position in high-end printing and packaging segment with superior operating efficiencies
- Healthy financial risk profile marked by low gearing

Rating Weaknesses

- High geographic concentration in revenues
- Declining operating margin because of raw material pricing pressures

Outlook: Stable

CRISIL believes that IPP will maintain its established position in the packaging market in India, supported by steady demand from its reputed clientele. The outlook may be revised to 'Positive' if IPP's operating margin improves significantly while maintaining the growth in revenues. Conversely, the outlook may be revised to 'Negative' if the company contracts more debt than expected to fund its acquisition plans or meet its incremental working capital requirements, or in case of a sharp decline in its profitability.

Key Rating Sensitivity Factors

- Capital investment plans, their funding and benefits
- Sustainability of profit margins
- Working capital management

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2,256	2,080	1,805
OPBDIT	300	259	247
PAT	91	84	62
Tangible Networth	1,177	1,094	1,019
Total Debt	899	724	710

OPBDIT Margins (%)	13.1	12.4	13.6
Net Profit Margins (%)	4.0	4.0	3.4
Interest cover (times)	3.58	4.05	3.24
NCA / Total Debt (times)	0.19	0.22	0.18
Gearing (times)	0.76	0.66	0.70
Total Debt / PBDIT (times)	2.96	2.72	2.90

Inventia Healthcare Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		**A2+**	**Stable**
Rating History				
14/Oct/2009	**A-****		**A2+****	**Stable**

***Initial Bank loan rating assigned*

Company Background:

Set up in 1985 by Mr. Janak Shah and family, Inventia Healthcare Private Ltd (Inventia) has expertise in oral dosage formulations using new drug delivery systems (NDDS) such as sustained release, modified release, taste masking, and fast dissolving forms. Currently, contract manufacturing of formulations for companies in domestic pharmaceutical sector contributes around 80 per cent of Inventia's revenues. Inventia also exports formulations to semi-regulated markets and semi-finished formulations (granules and pellets) to Brazil.

In 2007-08, Inventia set up a US Food and Drug Administration (USFDA) compliant formulation manufacturing facility in Ambernath (Maharashtra). Inventia's research and development activities are conducted at its laboratory in Thane (Maharashtra). Inventia has filed two abbreviated new drug application (ANDA), and its plant has been inspected by the USFDA in November 2010. Inventia has also filed over 100 product dossiers in the semi-regulated markets.

Rating Strengths

- Comfortable financial risk profile
- Specialisation in developing and manufacturing controlled-release formulations

Rating Weaknesses

- Absence of long-term sale contracts
- Weak operating efficiency

Outlook: Stable

CRISIL believes that Inventia's healthy capital structure will provide adequate financial flexibility to raise funds to meet its expenditure towards ongoing ANDA filings. CRISIL also expects Inventia's revenues to improve gradually, backed by product registrations in semi-regulated markets, expected facility approvals from foreign regulatory authorities, and collaborations for contract manufacturing and technology transfer. The outlook may be revised to 'Positive', if there is a significant improvement in Inventia's cash accruals and liquidity. Conversely, the outlook may be revised to 'Negative' in case of delays in receiving regulatory approvals or entering contract manufacturing agreements, or if Inventia's capital structure or liquidity deteriorates significantly.

Key Rating Sensitivity Factors

- Delay in entry into regulated markets
- Ability to enter into long-term contracts/ marketing tie-ups
- Inability to improve profitability
- Significant deterioration in liquidity or capital structure

Financial Performance (Not Published)

Ion Exchange (India) Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
5/Jun/2008	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Ion Exchange (India) Limited (IEIL) and its wholly owned subsidiaries, collectively referred to as the ION Exchange group.

IEIL was incorporated in 1964 as a subsidiary of Permutit Company, UK, with 60 per cent holding. The foreign holding was reduced in stages, over a period of time, and since 1985, the paid-up share capital has been held by resident Indians. IEIL commenced operations at its Ambarnath (Maharashtra) plant in 1965 by manufacturing ion exchanges resins. In 1982, IEIL diversified into the field of chemical treatment of water by entering into collaborations with W.R. Grace Dearborn & Co, USA (WR Grace). However, in 1998-99, IEIL terminated the joint venture after WR Grace exited from the business globally.

IEIL has three main divisions, engineering, chemical and consumer products, which is operates through six factories in five states. Each of the businesses is professionally managed by a dedicated team operating the business independently.

The engineering division plans and executes orders for installation of large- and medium-sized water and effluent treatment plants. The chemical division manufactures ion exchange resins and industrial chemicals domestically as well as to the US market. The consumer products division offers a range of water care producers for homes and institutions under the Zero-B umbrella brand.

Rating Strengths

- Dominant market position in water treatment business
- Healthy financial risk profile

Rating Weaknesses

- Revenues susceptible to economic cycles
- Exposure to intense competition in engineering division, leading to low operating margin

Outlook: Stable

CRISIL believes that the ION Exchange group will maintain its dominant market position in the water treatment segment with its established brand, wide range of products, strong nationwide after-sales service, and established customer relationships,. The group's capital structure is expected to remain healthy over the medium term in the absence of any major capital expenditure (capex) plan and its management's conservative financial policy. The outlook may be revised to 'Positive' in case there is a substantial and sustained improvement in revenues and profitability margins from the current levels or if there is an improvement in working capital management. Conversely, the outlook may be revised to 'Negative' if the ION Exchange group's profitability declines steeply from the current levels or if it undertakes a large debt-funded capital expenditure (capex) programme, thereby weakening its financial risk profile.

Key Rating Sensitivity Factors

- Capex and its funding pattern
- Ability to sustain capital structure
- Operating margins

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	5671	4971	4233
OPBDIT	254	261	176
PAT	121	66	14
Tangible Networth	1472	1344	1285
Total Debt	398	507	789
OPBDIT Margins (%)	4.5	5.2	4.1
Net Profit Margins (%)	2.1	1.3	0.3
Interest cover (times)	4.45	2.12	1.72
NCA / Total Debt (times)	0.37	0.20	0.07
Gearing (times)	0.27	0.38	0.61
Total Debt / PBDIT (times)	1.21	1.67	3.60

Isagro (Asia) Agrochemicals Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
31/May/2011	A		A1	Stable
29/Jun/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Isagro (Asia) Agrochemicals Pvt Ltd (Isagro Asia), an 80 per cent subsidiary of Italy based Isagro SpA, manufactures agrochemical products such as generics and formulations, with its major focus on the proprietary new generation molecules of its parent company. Isagro Asia was formerly the agrochemical division of RPG Life Sciences Ltd, and was acquired by Isagro SpA in November 2001. Isagro Asia's manufacturing facility at Panoli (Gujarat) has capacity to produce 1718 tonnes and 6480 tonnes, respectively, of technical products and formulations, per annum. The company's products include insecticides, fungicides, herbicides and bio-stimulants.

Rating Strengths

- Strong support from parent, Isagro SpA
- Strong financial risk profile
- Moderate market position in agrochemicals industry

Rating Weaknesses

- Large working capital requirements including extended credit terms to parent company
- Exposure to risks relating to regulations and cyclicality in agrochemicals industry

Outlook: Stable

CRISIL believes that Isagro Asia will maintain its market position in the agrochemical industry, and healthy financial risk profile, over the medium term, backed by benefits from introduction of new products. The outlook may be revised to 'Positive' if successful launch of new proprietary products from Isagro's portfolio leads to strong growth in revenues and cash accruals for Isagro Asia. Conversely, the outlook may be revised to 'Negative' if Isagro Asia's extends any significant financial support to the parent, or if it takes any large, debt-funded capital expenditure (capex) plans.

Key Rating Sensitivity Factors

- Size and funding mix of future capex
- Delays in obtaining registration for new products

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1909	1242	1256
OPBDIT	360	137	34
PAT	143	40	(21)
Tangible Networth	1020	876	836
Total Debt	249	347	357
OPBDIT Margins (%)	13.4	10.1	2.6
Net Profit Margins (%)	7.3	3	(1.6)
Interest cover (times)	13.35	5.26	1.95
NCA / Total Debt (times)	0.91	0.29	0.09
Gearing (times)	0.24	0.40	0.43
Total Debt / PBDIT (times)	0.79	2.25	6.90

Jamshedpur Utilities and Services Company Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
29/Mar/2011	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the financial risk profiles of Jamshedpur Utilities and Services Company Ltd (JUSCO) and its subsidiaries.

JUSCO, a wholly owned subsidiary of Tata Steel Ltd (TSL), is an urban infrastructure services provider. It was incorporated by TSL in 2003 by hiving off its town and power division. It was mainly set up to look after the town and urban infrastructure services of Jamshedpur. However, JUSCO has grown since then and now has operations in many cities across the country. JUSCO's operation comprises infrastructure services, construction and power distribution, which it extends to TSL and other customers. It derived revenue of around Rs.1.26 billion from TSL in 2009-10.

Rating Strengths

- Healthy financial risk profile
- Diversified revenue profile, lending stability to revenues
- Support from parent - TSL

Rating Weaknesses

- High exposure to business from urban local bodies, marked by high debtor days, and low operating margin
- Limited scale of operations

Outlook: Stable

CRISIL believes that JUSCO will continue to benefit from its diversified revenue profile and receive support from its parent, over the medium term. The company's debt levels are, however, expected to increase because of the planned and ongoing projects; despite this, its capital structure is expected to remain comfortable for the rating category, because of its moderate net worth and current low debt. The outlook may be revised to 'Positive' if JUSCO scales up its operations and improves its operating profitability, leading to improvement in its overall business risk profile. Conversely, the outlook may be revised to 'Negative' in case of substantial deterioration in the company's debt protection metrics or capital structure.

Key Rating Sensitivity Factors

- High debt-funded expenditure on projects
- Substantial delays in execution of its ongoing projects
- Significant increases in working capital requirements

Financial Performance

Rupees in Million	31-Mar-10	31-Mar-09
Net Sales	4068	3163
OPBDIT	247	282
PAT	128	158
Tangible Networth	1301	936
Total Debt	475	105
OPBDIT Margins (%)	6.1	8.2
Net Profit Margins (%)	3.1	4.6
Interest cover (times)	12.42	16.82
NCA / Total Debt times)	0.42	2.01
Gearing (times)	0.37	0.11
Total Debt / PBDIT (times)	NP	NP

Jasani Jewellery

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
30/Mar/2011	A-			Stable
3/Mar/2010			A2+**	

***Initial Bank loan rating assigned*

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Ratilal Becharlal & Sons, Uni Gems India Pvt Ltd (both in the diamond business); Elegant Collection, Jasani Jewellery, RB Jewellery Corporation, Jasani Jewellery II (all four in the diamond-studded jewellery business); Dia Man Exports Pvt Ltd (into both diamond as well as diamond studded jewellery business); and Supreme Gems Pvt Ltd, Ratilal Becharlal Diamonds Pvt Ltd, and Ornat Gems Pvt Ltd (support units for the other entities in the group). All these entities have been collectively referred to herein as the Jasani group.

The Jasani group, promoted by Mr. Ratilal Becharlal Jasani in 1966, with Ratilal Becharlal & Sons as the group's flagship firm, is closely held by Jasani family. The group is primarily engaged in exports of rough diamonds, polished diamonds, and diamond-studded gold jewellery, though it has domestic operations as well. The group focuses on the round and princess-cut diamonds and specialises in Triple Excellent, Hearts, and Arrows, along with proprietary cuts such as Love Mark and Movado. The group has been a Diamond Trading Company (DTC) sightholder since the past 36 years. It does not own jewellery brands; however, it has marketing rights for Asian and Gulf countries for brands such as Perfect Choice, You, Love Mark, Trestelle, and the Bride's Pendant, which are currently owned by The Stuckey Co, USA. The Jasani group sells its products in the US, Japan, Europe, the Far East, and India. R B Jewellery Corporation was set up in 1988. It manufactures diamond-studded jewellery in Santacruz Electronic Export Promotion Zone (SEEPZ).

Rating Strengths

- Healthy financial risk profile, marked by high net worth, low gearing, and moderate debt protection indicators
- Strong operational efficiencies, driven by assured supplies of rough diamonds from DTC and Alrosa Company Ltd, Russia (Alrosa), and efficient working capital management
- Comfortable business risk profile, with presence in segments such as polished diamonds and diamond-studded jewellery, and extensive experience of promoters

Rating Weaknesses

- Vulnerability of profitability to fluctuation in diamond prices and foreign exchange (forex) rates
- Exposure to risks related to revenue concentration in US and European markets

Outlook: Stable

CRISIL expects the Jasani group to maintain its healthy financial risk profile on the back of its efficient working capital management. CRISIL also expects the group to maintain its established market position and strong operating efficiencies. The outlook may be revised to 'Positive' if the group's revenue and profitability increase significantly, while it maintains a healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' if the group faces pressure on revenue and profitability, or significant deterioration in capital structure.

Key Rating Sensitivity Factors

- Revenue growth and operating profitability
- Continued efficiency in working capital management
- Continuity of assured diamond supplies from DTC and Alrosa
- Any significant deterioration in financial risk profile, including due to substantial withdrawal of capital by promoters

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	10629	9,299	9,699
OPBDIT	675	(99)	478
PAT	469	(303)	199
Tangible Networth	2998	2,707	3,143
Total Debt	2217	760	1,808
OPBDIT Margins (%)	6.2	(1.1)	4.9
Net Profit Margins (%)	4.3	(3.3)	2.0
Interest cover (times)	6.47	(0.71)	3.68
NCA / Total Debt times)	0.15	(0.53)	(0.01)
Gearing (times)	0.74	0.28	0.58
Total Debt / PBDIT (times)	3.00	(7.46)	3.67

Jindal Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A1	Stable
Rating History				
10/May/2011	A-		A1	Stable
16/Jul/2009	A-		A1	Positive
17/Jun/2008	A-**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Promoted by the late Mr. O P Jindal, Mr. Shiv Ram Jindal, and Mr. Basu Dev Agarwal in 1972, Jindal Industries Limited (JIL) manufactures galvanised and black electric resistance welded (ERW) pipes. With a total production capacity of 180,000 tonnes per annum (tpa) in Hisar, Haryana, the company is among the top five manufacturers of ERW pipes in India. JIL is expected to ramp up its production capacity to 240,000 tpa by 2010-11. The company has received approval from the American Petroleum Institute (API) for its facilities, enabling it to supply pipes to the oil and gas sector.

Rating Strengths

- Healthy financial risk profile
- Established position in ERW pipe segment

Rating Weaknesses

- Exposure to intense competition in ERW pipe segment and from polyvinyl chloride (PVC) pipe segment
- Geographical concentration in North India

Outlook: Stable

CRISIL believes that JIL will continue to maintain its established market position in the ERW pipe segment and generate healthy cash accruals of Rs.350 million to Rs.400 million per annum. The outlook may be revised to 'Positive' in case the company maintains its growth in operating income and improvement in operating margin, and retains significant portion of the cash accruals within the company, strengthening its financial risk profile. Conversely, the outlook may be revised to 'Negative' if JIL's revenues come under pressure and/or its operating margin declines further.

Key Rating Sensitivity Factors

- Dividend payments
- Capital expenditure/acquisition plans and their funding mix
- Adverse ruling in ongoing case on entry tax in Haryana

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	8511	7217	5866
OPBDIT	871	665	405
PAT	527	375	234
Tangible Networth	745	481	633
Total Debt	957	354	793

OPBDIT Margins (%)	9.9	8.9	6.6
Net Profit Margins (%)	6.0	5.0	3.8
Interest cover (times)	17.64	6.31	6.37
NCA / Total Debt (times)	0.30	(0.38)	0.28
Gearing (times)	1.28	0.74	1.25
Total Debt / PBDIT (times)	1.09	0.50	1.86

Jindal Pipes Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
19/Aug/2011	A+		A1+	Stable
26/Mar/2010	A+**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Incorporated in 1970, Jindal Pipes Ltd (JPL) is a DP Jindal group company, and has installed capacity to manufacture up to 250,000 tonnes per annum (tpa) of steel pipes and tubes. The pipes are used in industries such as agriculture, oil, refinery, housing construction, irrigation, and fire fighting. JPL ventured into manufacturing of square pipes in 2009-10 and is stabilising operations at its 5-megawatt (MW) captive power plant.

The DP Jindal group is engaged in various businesses through its three large companies: JPL, Maharashtra Seamless Ld (MSL; rated 'CRISIL AA+/Stable') and Jindal Drilling and Industries Ltd (JDIL). The group has annual turnover of around Rs.35 billion. MSL, the largest company of the group, manufactures seamless and ERW pipes and tubes. JDIL, the second-largest company of the group, is into offshore drilling for oil and gas.

Rating Strengths

- Established position in electric-resistance-welded (ERW) pipe segment and healthy operating efficiencies
- Robust financial risk profile and strong support from DP Jindal group

Rating Weakness

- Exposure to intense competition in ERW pipes segment

Outlook: Stable

CRISIL believes that JPL will continue to generate steady cash accruals over the medium term, backed by its established market position in the ERW pipe segment. Its financial risk profile is expected to remain strong during this period, in the absence of any debt-funded capital expenditure (capex) programme. The outlook may be revised to 'Positive' if JPL strengthens its business risk profile through improvement in its product mix, leading to higher operating income and margin. Conversely, the outlook may be revised to 'Negative' if the company undertakes a large, additional debt-funded capex programme or if it's operating margin declines, leading to deterioration in its financial risk profile.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Extent of support from DP Jindal group

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	6014	6049	5993
OPBDIT	399	416	180
PAT	255	272	102
Tangible Networth	1919	1664	1414
Total Debt	241	147	145

OPBDIT Margins (%)	6.6	6.7	2.8
Net Profit Margins (%)	4.2	4.3	1.6
Interest cover (times)	13.08	33.54	5.08
NCA / Total Debt (times)	1.11	1.82	0.63
Gearing (times)	0.13	0.09	0.10
Total Debt / PBDIT (times)	0.56	0.33	0.67

Joyalukkas India Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
02/Dec/2011	A		A1	Stable
16/Nov/2010	A-		A2+	Stable
21/Aug/2008	BBB+**		A2**	Stable

***Initial Bank loan rating assigned*

Company Background:

Alukkas Jewellery was set up by the late Mr. A J Varghese in Thrissur (Kerala) in 1956. The business was divided among his five sons. Joyalukkas India Limited (JIL) was incorporated in 2002 by Mr. Joy Alukka, the fourth son. JIL is a leading retailer of 22-carat jewellery in India with 22 showrooms. Mr. Alukka owns a gold retail chain with a large presence in the Middle East and the UK. JIL also has interests in the textile business. The promoter, Mr. Joy Alukka has about three decades of experience in the jewellery business.

Rating Strengths

- Established market position with strong brand name
- Comfortable financial risk profile

Rating Weaknesses

- Exposure to intense competition due to fragmented jewellery industry
- Susceptibility to sharp fluctuations in gold prices

Outlook:Stable

CRISIL believes that JIL will continue to benefit over the medium term from its enhanced market position and healthy profitability. The outlook may be revised to 'Positive' if JIL's financial risk profile improves further, as a result of equity infusion or better-than-expected cash accruals. Conversely, the outlook may be revised to 'Negative' if the company contracts a large quantum of debt to fund its capital expenditure (capex) leading to deterioration of its capital structure.

Key Rating Sensitivity Factors

- Gold hedging policy
- Profitability of new stores
- Capex plans and their funding mix

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	26820	18167	14200
OPBDIT	2062	1443	1148
PAT	1014	678	487
Tangible Networth	2903	1975	1384
Total Debt	3539	2675	2043

OPBDIT Margins (%)	7.7	7.9	8.1
Net Profit Margins (%)	3.8	3.7	3.4
Interest cover (times)	5.33	4.92	3.94
NCA / Total Debt (times)	0.30	0.26	0.29
Gearing (times)	1.22	1.35	1.48
Total Debt / PBDIT (times)	1.73	1.84	1.77

Juhu Beach Resorts Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
5/Dec/2008	A+**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Established in 1974, Juhu Beach Resorts Ltd (JBRL) came under the management of the Raheja group in the 1980s. The company owns only one hotel, J W Marriott Hotel, at Juhu in Mumbai, which is managed by the Marriott group. The five-star hotel has 355 rooms, 11 meeting rooms covering 16,500 square feet, and 8 restaurants.

Rating Strengths

- Strong operational performance, benefiting from association with Marriott brand
- Healthy financial risk profile marked by large net worth and low gearing

Rating Weaknesses

- Lack of revenue diversity
- Vulnerability to cyclicality in hospitality industry because of small market share and high customer concentration in revenues

Outlook:Stable

CRISIL believes that JBRL will maintain its healthy business and financial risk profiles over the medium term, with focus on the premium segment and its tie-up with the Marriot group. The outlook may be revised to 'Positive' in case of a significant and sustained improvement in occupancy rates and average room rentals, resulting in healthy realisations and margins for the company. Conversely, the outlook may be revised to 'Negative' if JBRL contracts sizeable debt to fund its capital expenditure (capex) or acquisitions, or if any event risk adversely impacts the hotel industry.

Key Rating Sensitivity Factors

- Capex plans and their funding pattern
- Extent of competition from other premium hotel groups
- Demand-supply imbalances in hotel industry
- Impact of economic slowdown or other events impacting occupancy
- Continuation of family group ties

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1769	2048	2430
OPBDIT	720	770	1157
PAT	428	468	663
Tangible Networth	1431	1417	1362
Total Debt	-	4	40
OPBDIT Margins (%)	39.0	38.0	46.4
Net Profit Margins (%)	23.2	23.1	26.6
Interest cover (times)	-	168.89	84.89
NCA / Total Debt (times)	-	38.97	8.42
Gearing (times)	-	-	0.03
Total Debt / PBDIT (times)	-	0.01	0.03

KL Steels Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Negative
Rating History				
15/Dec/2011	A-		A2+	Negative
5/Jun/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

KL Steels Pvt Ltd (KL Steels), set up in 1984, began operations with a steel-rolling mill at Ghaziabad, (Uttar Pradesh), that was set up in 1985-86 by Mr. Raj Kumar Bardeja. The plant started commercial production in 1987 with manufacturing of large long rolled steel products such as joists, channels, rounds, H-sections, and T-sections. The company manufactures long products of 150-500 millimetre (mm) diameter with total capacity of 96,000 tonnes per annum. The products manufactured by the company are generally required for tunnels, bridges, building construction, general engineering purposes, electric poles, and railway electrification.

KL Steels also undertakes job work for Steel Authority of India Ltd (SAIL), for which SAIL provides raw material (billets and blooms) to the company for manufacturing long products.

Rating Strengths

- Healthy financial risk profile, supported by low gearing and healthy debt protection measures
- Established position in the structural steel segment

Rating Weakness

- Average scale of operations, with limited backward integration, leading to moderate operating margins

Outlook: Negative

CRISIL believes that the operating profitability of KL Steels will remain under pressure over the medium term, driven by continuous rise in the steel prices in the midst of slackening demand. The rating may be downgraded if the pressure on the company's profitability continues or if the company's scale of operations declines due to decline in demand or if the company undertakes any large, debt-funded capital expenditure (capex) programme, thereby deteriorating its financial risk profile, particularly its liquidity. Conversely, the outlook may be revised to 'Stable' if KL Steel reports substantial improvement in the operating profitability while maintaining its revenue growth.

Key Rating Sensitivity Factors

- More-than-expected large capex and investment plans, and their funding pattern
- Extent of investment in ventures unrelated to business
- Material change in working capital management
- Funding support to group companies

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2519	2098	2656
OPBDIT	148	191	200
PAT	74	115	116
Tangible Networth	811	737	622
Total Debt	183	266	14
OPBDIT Margins (%)	5.6	8.2	6.7
Net Profit Margins (%)	2.8	4.9	3.9
Interest cover (times)	6.87	14.65	13.50
NCA / Total Debt (times)	0.46	0.46	9.07
Gearing (times)	0.23	0.36	0.02
Total Debt / PBDIT (times)	1.21	1.35	0.07

K.S.R. Educational and Charitable Trust

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
26/Apr/2011	A-**			Stable

***Initial Bank loan rating assigned*

Company Background:

Set up by Mr. K S Rangaswamy in 1984, KSR Educational and Charitable Trust (KSR) runs various graduate, post-graduate, and professional colleges in Tiruchengode, in Namakkal (Tamil Nadu). The trust has five colleges offering graduate and post-graduate courses in commerce, science, dentistry, and engineering, with total student strength of around 11,000. During 2009-10 and 2010-11, the trust had invested towards infrastructure upgrade for commencement of its Master of Dental Science (MDS) course, construction of arts and science college for women, and extension of its academic and management block.

Rating Strengths

- Good reputation in education sector marked by diverse course offerings
- Healthy financial risk profile

Rating Weaknesses

- Vulnerability to highly regulated environment in education sector
- Exposure to intense competition from other educational institutes

Outlook: Stable

CRISIL believes that KSR will maintain its established track record, diversity in profile of courses offered, and its healthy financial risk profile supported by sizeable net worth, over the medium term. The outlook may be revised to 'Positive' if KSR enhances its brand image considerably by improving its educational services or expanding its geographic reach, resulting in increase in its revenues. Conversely, the outlook may be revised to 'Negative' if KSR undertakes a larger-than-expected debt-funded capital expenditure (capex) programme, or faces adverse regulatory changes.

Key Rating Sensitivity Factors

- Accreditation to the All India Council for Technical Education (AICTE), National Board of Accreditation (NBA) and affiliated universities
- Non-compliance with regulations impacting functioning of educational institutions
- Higher-than-expected debt-funded capex
- Any force majeure event impacting institutes, due to location concentration

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	544	475	400
OPBDIT	194	216	172
PAT	177	207	168
Tangible Networth	1536	1351	1146
Total Debt	91	-	-
OPBDIT Margins (%)	34.1	42.4	40.4
Net Profit Margins (%)	31.0	40.6	39.2
Interest cover (times)	157.72	400.68	-
NCA / Total Debt (times)	2.80	-	-
Gearing (times)	0.06	-	-
Total Debt / PBDIT (times)	0.35	-	-

Kalinga Coal Mining Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
28/Aug/2008	A-**			Stable

***Initial Bank loan rating assigned*

Company Background:

Kalinga Coal Mining Pvt Ltd (KCMPL) is a joint venture (JV) between Orissa Mining Corporation Ltd (OMCL) and Sainik Mining and Allied Services Ltd (SMASL). SMASL's stake in the JV is being reduced to 49 per cent from the earlier 74 per cent as per the directive from the central government that the majority shareholding in mining projects under the public-private partnership model should be held by the government.

The JV will develop and mine coal from the block at Talcher fields, owned by OMCL. The estimated mining reserves in the block are 102 million tonnes; KCMPL's contract with OMCL is for 20 years. The cost of the project is estimated at Rs.2.2 billion, with minimum commitment charges of 16 per cent payable to OMCL. The project which was earlier expected to commence by end of 2008-09, was delayed due to the pending stage II approval from the Ministry of Environment and Forests. The mining operations are expected to commence in 2011-12.

Rating Strengths

- Strong support from group company, SMASL

Rating Weaknesses

- Large investments in development of coal mining blocks to constrain group's financial flexibility
- Limited track record of group in sale of coal

Outlook: Stable

CRISIL believes that KCMPL will continue to receive financial and managerial support from SMASL. The outlook may be revised to 'Positive' if KCMPL begins operations at the Talcher coal block without time or cost over-runs and stabilises the operations thereby achieving sustainable, healthy profits. Conversely, the outlook may be revised to 'Negative' if the project faces further time overruns or any material increase in the project cost necessitates higher debt–funding, or if the project takes longer-than-expected time to stabilise, impacting KCMPL's profitability.

Key Rating Sensitivity Factors

- Change in the extent of support from SMASL
- Further time overruns or any significant cost overruns in the project
- Capital expenditure and funding thereof

Financial Performance (Not Published)

Kalyani Forge Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
20/Apr/2010	A-		A2+	Stable
27/Apr/2009	A-		A2+	Negative
26/Feb/2008	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Set up in 1979, Kalyani Forge Ltd (KFL) manufactures high-quality hot and warm forged products. The company has two plants in Pune (Maharashtra). KFL has an annual forging capacity of around 30,000 tonnes and an annual capacity to manufacture 2.2 million finished machined components. The company has an established clientele in the automobile and non-automobile sectors. The company is undertaking a capex programme of Rs.800 million in 2011-12 towards increasing its forging capacity to 32,500 tonnes per annum (tpa) and finished machined components capacity to 4.0 million tpa; about 80 per cent of the cost will be funded by debt. The incremental capacity is expected to begin operations by April 2012.

Rating Strengths

- Moderate market position in domestic forging industry
- Moderate financial risk profile

Rating Weaknesses

- Susceptibility of operating margin to pricing pressures and fluctuations in raw material prices
- Working-capital-intensive operations

Outlook: Stable

CRISIL believes that KFL will continue to maintain its market position in the forging industry, driven by its strong presence in the connection rods segment, established clientele, and expected growth in the end-user industry. Its capital structure will, however, remain leveraged over the next two years due to its large debt-funded capital expenditure (capex). The outlook may be revised to 'Positive' if KFL generates larger-than-expected cash accruals from its proposed capex programme, or if the company's working capital management improves significantly. Conversely, the outlook may be revised to 'Negative' if KFL's financial risk profile and debt servicing capability are adversely affected, most likely because of significant time or cost overrun in completing the proposed capex, or if the offtake from the proposed capex is lower than expected.

Key Rating Sensitivity Factors

- Timely commissioning of planned expanded capacity within budgeted cost
- Ability to maintain operating margin amid volatile raw material prices
- Management of working capital

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2,131	1,481	1,474
OPBDIT	264	188	148
PAT	64	33	(3)
Tangible Networth	790	733	708
Total Debt	744	626	615
OPBDIT Margins (%)	11.2	11.3	9.0
Net Profit Margins (%)	2.7	2.0	(0.2)
Interest cover (times)	3.88	4.25	2.91
NCA / Total Debt (times)	0.23	0.21	0.14
Gearing (times)	0.94	0.85	0.87
Total Debt / PBDIT (times)	2.63	3.02	4.07

Kama-Schachter Jewelry Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
21/Sep/2010	A-		A2+	Stable
30/Mar/2010	BBB+		A2	Stable
6/Apr/2009	BBB+		A2	Negative
9/May/2008	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Set up in 1996, Kama-Schachter Jewelry Pvt Ltd (Kama Jewelry) manufactures and exports diamond-studded jewellery. The company is a joint venture (JV) between Mr. Colin Shah, Mrs. Mamata Apparao, and the Leo Schachter group, headquartered in Israel. Kama Jewelry set up its dedicated export unit at the Santacruz Electronics Export Processing Zone in Mumbai (Maharashtra) in 2006. The company also has a jewellery manufacturing unit in Mumbai, which caters mainly to the Indian market.

Rating Strengths

- Healthy business risk profile supported by established relationships of stakeholder Leo Schachter Diamonds Ltd (Leo Schachter, part of the Leo Schachter group) with jewellery retail majors in overseas markets
- Moderate financial risk profile

Rating Weaknesses

- High concentration of sales in the United States market
- Working-capital-intensive operations

Outlook: Stable

CRISIL believes that Kama Jewelry will maintain its financial risk profile over the medium term on the back of its improved sales and profitability. The outlook may be revised to 'Positive' if Kama Jewelry improves its working capital cycle and increases its revenue while maintaining profitability. Conversely, the outlook may be revised to 'Negative' in case of significant increase in Kama Jewelry's working capital requirements, or decline in its profitability or sales.

Key Rating Sensitivity Factors

- Extent of capital expenditure plan and its funding pattern
- Continuance of strategic alliance with Leo Schachter group
- Maintenance of cordial relations among promoters

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	4461	2192	2813
OPBDIT	373	202	214
PAT	270	99	127
Tangible Networth	817	603	528
Total Debt	944	753	742
OPBDIT Margins (%)	8.4	9.2	7.6
Net Profit Margins (%)	6.0	4.5	4.5
Interest cover (times)	7.01	2.82	3.38
NCA / Total Debt (times)	0.26	0.12	0.14
Gearing (times)	1.16	1.25	1.41
Total Debt / PBDIT (times)	2.55	3.84	3.32

Kangaro Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Positive
Rating History				
30/Dec/2011	A		A1	Positive
02/Feb/2010	A		A1	Stable
10/Jul/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the financials of Kangaro Industries Ltd (KIL), and its associate concerns, Kangaro Industries (Regd.), Kanin India, Munix Pvt Ltd (Munix), and Kangaro Tools Pvt Ltd (KTPL), collectively referred to as the Kangaro group.

Incorporated in 1994 as Kangaro Wires Pvt Ltd to manufacture staple pins, KIL got its current name in 1995-96. It manufactures staples for multiple wire machines. The company integrated backwards in 2000 by setting up fully-automatic wire drawing machines. It has an installed capacity of 12,000 tonnes per annum (tpa), which was increased from 5000 during 2011-12.

Kangaro Industries (Regd.) was incorporated in 1959 by the late Mr. Jankidas Jain as a proprietorship concern to manufacture staplers and paper punches. It was reconstituted as a partnership firm with the inclusion of Mr. Arihant Jain in 1963. KI was set up in 1990, and the stapler division of Kangaro Industries (Regd.) was transferred to KI.

The Kangaro group incorporated Munix in Nalagarh (Himachal Pradesh) to manufacture staplers; it was set up to avail of tax benefits. The group set up Kangaro Tools as a backward integration initiative to manufacture moulds, dies, tools, and machinery required to manufacture staplers, punches, and staples.

Rating Strengths

- Established position in stationery business and strong operating efficiency
- Strong financial risk profile

Rating Weakness

- Large working capital requirements

Outlook: Positive

CRISIL believes that the Kangaro group will benefit over the medium term from its healthy revenue growth and expected improvement in profitability. The ratings may be upgraded if the group achieves better-than-expected growth in sales and profitability, leading to higher cash accruals. Conversely, the outlook may be revised to 'Stable' if the group's profitability declines significantly, resulting in lower-than-expected cash accruals, or if its financial risk profile deteriorates on account of higher-than-expected withdrawals by partners from partnership firms or larger-than-expected working capital requirements.

Key Rating Sensitivity Factors

- Sustenance of growth and margins
- Working capital management
- Cash withdrawals from partnership firm
- Capital expenditure plans and their funding mix

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2,242	1,646	1,296
OPBDIT	481	424	309
PAT	303	271	167
Tangible Networth	1,190	936	672
Total Debt	524	201	240

OPBDIT Margins (%)	20.6	24.3	23.2
Net Profit Margins (%)	13.0	15.6	12.5
Interest cover (times)	15.19	20.01	8.46
NCA / Total Debt (times)	0.61	1.37	0.70
Gearing (times)	0.44	0.22	0.36
Total Debt / PBDIT (times)	1.08	0.47	0.77

Kanin (India)

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Positive
Rating History				
30/Dec/2011	A**	-	A1**	Positive

*** Initial Bank loan rating assigned*

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Kanin (India) [KI} and its associate concerns, Kangaro Industries Ltd (KIL), Kangaro Industries (Regd.), and Munix Pvt Ltd (Munix), collectively referred to as the Kangaro group.

Incorporated in 1994 as Kangaro Wires Pvt Ltd to manufacture staple pins, KIL got its current name in 1995-96. KIL manufactures staples for multiple wire machines. It integrated backwards in 2000 by setting up fully automatic wire drawing machines. It has an installed capacity of 12,000 tonnes per annum (tpa), which was increased from 5000 tpa during 2011-12.

Kangaro Industries (Regd) was set up in 1959 by the late Mr. Jankidas Jain as a proprietorship concern to manufacture staplers and paper punches. It was reconstituted as a partnership firm with the inclusion of Mr. Arihant Jain in 1963. KI was set up in 1990, when KIL's stapler division was transferred to KI.

The Kangaro group incorporated Munix at Nalagarh (Himachal Pradesh) to manufacture staplers; it was set up to avail of tax benefits. The group set up Kangaro Tools, which was merged into KIL in 2009-10, as a backward integration initiative to manufacture moulds, dies, tools, and machinery required in the manufacture of staplers, punches, and staples.

Rating Strengths

- Established position in stationery business and strong operating efficiency
- Strong financial risk profile

Rating Weakness

- Large working capital requirements

Outlook:Positive

CRISIL believes that the Kangaro group will benefit over the medium term from its healthy revenue growth and expected improvement in profitability. The ratings may be upgraded if the group achieves better-than-expected growth in sales and profitability, leading to higher cash accruals. Conversely, the outlook may be revised to 'Stable' if the group's profitability declines significantly, resulting in lower-than-expected cash accruals, or if its financial risk profile deteriorates on account of higher-than-expected withdrawals by partners from partnership firms or larger-than-expected working capital requirements.

Key Rating Sensitivity Factors

- Working capital management
- Cash withdrawals from partnership firm
- Capital expenditure plans, and their funding pattern
- Sustenance of growth and margins

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2,242	1,646	1,296
OPBDIT	481	424	309
PAT	303	271	167
Tangible Networth	1,190	936	672
Total Debt	524	201	240

OPBDIT Margins (%)	20.6	24.3	23.2
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Interest cover (times)	15.19	20.01	8.46
NCA / Total Debt (times)	0.61	1.37	0.70
Gearing (times)	0.44	0.22	0.36
Total Debt / PBDIT (times)	1.08	0.47	0.77

Karnatak Lingayat Education Society

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
2/Dec/2009	A+**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Founded in 1916 for setting up an English-medium school in Belgaum, Karnataka, Karnatak Lingayat Education Society (KLES) has, over the past nine decades, become a reputed educational society in North Karnataka. KLES runs more than 200 institutions, from kindergarten to post graduation, with student strength of more than 70,000. The society offers courses in many educational streams -- science, medicine, dentistry, nursing, pharmacy, engineering, business management, teachers' training, law, agriculture, and physiotherapy.

Rating Strengths

- Established position in education sector in Karnataka, and diverse courses offered
- Strong financial risk profile

Rating Weaknesses

- Exposure to regulatory risks
- Geographic concentration, constraining brand image

Outlook: Stable

CRISIL believes that KLES's credit risk profile will continue to benefit from its established market position in the education sector in Belgaum and its healthy capital structure, over the medium term. The outlook may be revised to 'Positive' if KLES expands its geographic reach, resulting in further improvement in its market position and resultant cash accruals. Conversely, the outlook may be revised to 'Negative' if the society contracts larger-than-expected debt to fund its capital expenditure (capex), or if there are any adverse regulatory changes affecting the image and the revenues of the society.

Key Rating Sensitivity Factors

- Accreditation to All India Council for Technical Education (AICTE), Medical Council of India (MCI), Dental Council of India (DCI), and affiliated universities
- Non-compliance with regulations, or malpractices
- Capex plans, and their funding mix

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1724	1401	1160
OPBDIT	375	203	124
PAT	244	40	-8
Tangible Networth	5028	4206	3811
Total Debt	457	414	318
OPBDIT Margins (%)	17.4	11.6	8.5
Net Profit Margins (%)	11.3	2.3	-0.6
Interest cover (times)	10.71	6.35	8.86
NCA / Total Debt (times)	0.84	0.45	0.42
Gearing (times)	0.09	0.10	0.08
Total Debt / PBDIT (times)	1.08	1.85	2.08

Karnataka Antibiotics and Pharmaceuticals Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A1	Stable
Rating History				
14/Jun/2011	A-		A1	Stable
28/Apr/2008	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Karnataka Antibiotics and Pharmaceuticals Ltd (KAPL) is a joint undertaking between the Government of India (59.2 per cent stake) and the Government of Karnataka (40.8 per cent stake), through Karnataka State Industrial and Investment Development Corporation. KAPL began operations in 1984 and is engaged in formulation, manufacturing, and marketing of various life-saving and essential drugs in various dosage forms such as injectables, tablets, capsules, and syrups. It sells its products to institutional and private players in the domestic and export markets through its strong marketing and distribution network, and it also undertakes contract manufacturing.

Rating Strengths

- Established player in formulations, enjoying purchase preference from government
- Superior manufacturing facility with sound marketing and distribution set-up
- Healthy financial risk profile and stable cash flows

Rating Weaknesses

- Lack of research and development (R&D) capabilities
- Intense competition from domestic players

Outlook: Stable

CRISIL believes that KAPL will maintain its established position in the formulations segment over the medium term on the back of growing demand for generics, improving exports, and contract manufacturing sales. The outlook may be revised to 'Positive' if the company diversifies its revenue profile further, leading to significant improvement in its revenues and profitability after commissioning of the new facility. Conversely, the outlook may be revised to 'Negative' in case of strain on the company's margins or a large, debt-funded capital expenditure (capex), leading to deterioration in the capital structure.

Key Rating Sensitivity Factors

- Timely completion of, and expected level of benefits from, expansion project
- Adverse impact of any change in government policies
- Performance of new products to be launched/co-marketed
- Future capex and its funding mix

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2082	2169	1841
OPBDIT	168	107	95
PAT	115	60	19
Tangible Networth	595	404	349
Total Debt	62	67	73
OPBDIT Margins (%)	8.0	4.9	5.1
Net Profit Margins (%)	5.5	2.7	1
Interest cover (times)	18.37	10.97	7.44
NCA / Total Debt (times)	2.06	1.08	0.41
Gearing (times)	0.10	0.17	0.21
Total Debt / PBDIT (times)	0.32	0.53	0.93

Karnataka Housing Board

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Stable
Rating History				
31/Dec/2010	A+**			Stable

***Initial Bank loan rating assigned*

Company Background:

Karnataka Housing Board (KHB) was established under the Karnataka Housing Board Act 1962, as a successor to Mysore Housing Board. KHB is wholly owned by the Government of Karnataka (GoK). The primary objective of KHB is to provide affordable housing in Karnataka. KHB is a developer of houses, land sites, and complexes for GoK. KHB derives its revenues from sale of land sites (only development of the acquired land) and housing complexes (construction of houses on developed land); the bulk of its revenues comes from development of land sites.

Rating Strengths

- Stable business risk profile, marked by healthy operating efficiency
- Healthy financial risk profile, marked by low gearing and strong liquidity

Rating Weakness

- Limited financial flexibility

Outlook: Stable

CRISIL believes that KHB will continue to benefit over the medium term from its status as the foremost provider of affordable housing in Karnataka. The outlook may be revised to 'Positive' if KHB scales up its operations significantly, without adversely affecting its financial risk profile. Conversely, the outlook may be revised to 'Negative' if KHB's financial risk profile weakens significantly, most likely because of more-than-expected debt contracted for funding new projects.

Key Rating Sensitivity Factors

- Extent of compliance with regulations
- Capital expenditure programme and funding mix
- Land acquisition costs

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1748	2269	2492
OPBDIT	230	197	255
PAT	273	216	243
Tangible Networth	2609	2336	2119
Total Debt	1594	2158	2277
OPBDIT Margins (%)	11.7	8.2	9.8
Net Profit Margins (%)	13.9	9.0	9.3
Interest cover (times)	29.24	11.90	9.54
NCA / Total Debt (times)	0.18	0.10	0.11
Gearing (times)	0.61	0.92	1.07
Total Debt / PBDIT (times)	5.50	8.79	8.30

Karnataka Soaps & Detergents Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
1/Dec/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Karnataka Soaps & Detergents Ltd (KSDL) was incorporated in 1980 by merging the Government Soap Factory, Bengaluru, and the Government Sandalwood Oil Factory's plants in Mysore and Shimoga. The company is a wholly owned undertaking of the Government of Karnataka (GoK). KSDL has a soap manufacturing capacity of 26,000 tonnes per annum (tpa) and detergent manufacturing capacity of 3000 tpa. Its product portfolio consists of bath soaps in the premium and popular categories, detergents, incense sticks, and other cosmetic products. Premium soap category accounted for over 80 per cent of the company's sales.

Rating Strengths

- Strong financial risk profile
- Established market position supported by well recognized brands

Rating Weaknesses

- Limited geographical diversity in revenue profile, and marginal presence outside premium-soap segment
- Moderate operating efficiency

Outlook: Stable

CRISIL believes that KSDL will maintain its established regional market position and its strong financial risk profile, supported by high net worth, low gearing and strong debt protection measures, over the medium term. The outlook may be revised to 'Positive' if KSDL reports significant improvement in its profitability, and increases its geographical reach, while maintaining its financial risk profile. Conversely, the outlook may be revised to 'Negative' if the company's cash accruals are lesser-than-expected, or if there are time and cost overruns in the company's ongoing/planned projects.

Key Rating Sensitivity Factors

- Timely completion of proposed project
- Capital expenditure and its funding pattern

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1648	1534	1286
OPBDIT	145	86	119
PAT	94	131	153
Tangible Networth	662	571	427
Total Debt	164	191	100
OPBDIT Margins (%)	8.7	5.5	9.1
Net Profit Margins (%)	5.7	8.4	11.8
Interest cover (times)	17.68	18.54	34.25
NCA / Total Debt (times)	0.59	0.80	1.38
Gearing (times)	0.25	0.33	0.24
Total Debt / PBDIT (times)	1.12	1.34	0.65

Kasyap Sweetners Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
30/Mar/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Incorporated in 1988 by Mr. Chetanya Kumar Kasyap, Kasyap Sweetners Ltd (KSL) manufactures sorbitol and liquid glucose. Its manufacturing facilities at Badnawar (Madhya Pradesh), Vapi (Gujarat), and Silvassa (Dadra and Nagar Haveli) have an aggregate capacity of 50,000 tonnes per annum (tpa) for sorbitol and 12,000 tpa for liquid glucose. KSL manufactures sorbitol from maize and sells its products to toothpaste manufacturers, and to pharmaceutical, and paint companies.

Rating Strengths

- Leadership position in sorbitol market in India
- Strong operating efficiency
- Healthy financial risk profile

Rating Weaknesses

- Large working capital requirements
- Low diversification leading to small size of operations

Outlook: Stable

CRISIL believes that KSL will maintain its financial risk profile over the medium term on the back of healthy accruals, driven by its strong market position and operational efficiency. The outlook may be revised to 'Positive' if the demand for sorbitol increases significantly, leading to improved revenues and higher profitability. Conversely, the outlook may be revised to 'Negative' if the company's financial risk profile deteriorates because of large, debt-funded capital expenditure (capex) or any unrelated diversifications.

Key Rating Sensitivity Factors

- Higher than expected debt-funded capex
- Size, funding and phasing of future capex
- Unrelated diversifications

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1493	1372	1309
OPBDIT	214	196	166
PAT	73	60	51
Tangible Networth	571	500	430
Total Debt	538	582	617
OPBDIT Margins (%)	14.3	14.3	12.6
Net Profit Margins (%)	4.9	4.4	3.9
Interest cover (times)	3.59	2.72	2.55
NCA / Total Debt (times)	0.22	0.17	0.14
Gearing (times)	0.94	1.16	1.43
Total Debt / PBDIT (times)	2.70	3.06	3.70

Keva Fragrances Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
29/Sep/2011	A-**			Stable

***Initial Bank loan rating assigned*

Company Background

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of SH Kelkar and Company Pvt Ltd (SHKPL), its wholly owned subsidiaries Keva Fragrances Pvt Ltd (Keva Fragrances), KV Arochem Pvt Ltd (KVPL), Keva Flavours Pvt Ltd (KFPL), and Keva Biotech Pvt Ltd (KBPL), and its Netherland based step-down subsidiary PFW Aroma Chemicals BV (PFW). The entities collectively are referred to as the Kelkar group.

Set up in 1922 as a partnership firm by Mr. Sadashiv Haribhau Kelkar and his brother Mr. Damodar Vaze and reconstituted as a private limited company in 1955, SHKPL is a leading manufacturer of fragrances and flavours. SHKPL's products have applications in varied sectors such as fast-moving consumer goods (FMCG), pharmaceuticals, and dairy products. KVPL was incorporated in 1984 as a private limited company by Kelkar family members.

SHKPL has four wholly owned subsidiaries:

- Keva Fragrances -100 % Export Oriented Unit (EOU)- Manufactures and exports Fragrances, Flavours and Aroma Chemicals
- KVPL- Aroma Ingredients Manufacturing Unit – Manufactures products like inorganic chemicals, aromatic chemicals, aldehydes and ketones
- KBPL- Manufacturing of natural essential oils,
- KFPL- Flavours manufacturing unit for - food industries
- Netherlands based step-down subsidiary PFW acquired in 2008 by the promoters and later became a subsidiary of Kelkar group in 2011- Manufactures aroma chemicals and specialty chemicals.
- SHKPL's manufacturing units are located at Vashivalli (Maharashtra), Vapi (Gujarat), and Bengaluru (Karnataka).

Rating Strengths

- Established position of the group in flavours and fragrances industry and extensive industry experience of promoters
- Healthy financial risk profile

Rating Weakness

- Susceptibility of group's revenue profile to offtake by user sectors, against the backdrop of increasing competitive intensity of the fragrances industry

Outlook: Stable

CRISIL believes that the Kelkar group will continue to benefit over the medium term from its established position in the flavours and fragrances industry and the extensive industry experience of its promoters. The outlook may be revised to 'Positive' if the group reports significantly higher-than-expected revenue growth while maintaining its margins and capital structure. Conversely, the outlook may be revised to 'Negative' if the group's debt protection metrics deteriorate because of large debt-funded capital expenditure (capex) or acquisition.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Inorganic growth initiatives and funding mix

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	702	556	549
OPBDIT	180	159	115
PAT	99	136	59
Tangible Networth	813	714	578
Total Debt	3	3	3
OPBDIT Margins (%)	25.5	28.6	20.9
Net Profit Margins (%)	14.1	24.4	10.8
Interest cover (times)	6.48	-	6.34
NCA / Total Debt times)	34.67	47.55	19.39
Gearing (times)	-	-	0.01
Total Debt / PBDIT (times)	0.02	0.02	0.03

Kewal Kiran Clothing Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
29/Oct/2010	A+		A1+	Stable
5/Nov/2009	A		A1	Positive
12/Mar/2008	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Kewal Kiran Clothing Ltd (KKCL) began operations in 1980 as a partnership firm, Kewal Kiran and Co, which was set up by Mr. Kewalchand P Jain and Mr. Hemant P Jain. The firm was reconstituted as a public limited company in November 2005. KKCL is a branded apparels manufacturer in the menswear segment. Its products include jeans, shirts, T-shirts, jackets, and trousers, and are marketed under the brands Killer, Lawman, Easies, and Integriti. In 2007-08, the company launched women's western wear under various brands. It has two garment stitching units in Mumbai, a washing unit at Vapi (Gujarat), and a finishing and packaging facility at Daman (Union Territory of Daman and Diu). The company has 145 retail stores under the K-Lounge brand, operated mostly through franchisees. Around 55 per cent of sales are through multi-brand outlets.

Rating Strengths

- Established presence in domestic men's apparel segment with 'Killer' brand
- Robust financial risk profile, marked by low gearing, strong liquidity, and comfortable debt protection indicators

Rating Weaknesses

- Exposure to intense competition in apparel segment
- Vulnerability to changes in fashion trends in domestic market

Outlook:Stable

CRISIL believes that KKCL will continue to benefit over the medium term from its established track record in the men's apparel segment, improved operating margin, and robust sales growth. The company's financial risk profile is expected to remain robust because of its strong liquidity, prudent capex plans, and low gearing. The rating may be upgraded if KKCL continues to increase its revenues and improves its operating margin, while maintaining a robust financial risk profile over the medium term. Conversely, the outlook may be revised to 'Stable' in case KKCL's capital structure deteriorates because of large, debt-funded capital expenditure (capex), or if its revenues and margins decline significantly.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Inorganic expansion plans
- Level of liquid investments

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1752	1445	1596
OPBDIT	480	237	314
PAT	325	143	211
Tangible Networth	1752	1512	1412
Total Debt	158	236	276
OPBDIT Margins (%)	27.3	16.3	19.6
Net Profit Margins (%)	18.5	9.8	13.1
Interest cover (times)	37.95	5.78	16.36
NCA / Total Debt (times)	1.88	0.63	0.7
Gearing (times)	0.09	0.16	0.2
Total Debt / PBDIT (times)	0.28	0.76	0.72

Kilitch Drugs (India) Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A-		A2+	Rating Watch with Negative Implications
Rating History				
18/Oct/2011	A-		A2+	Placed on Rating watch with negative implications
10/July/2009	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Set up in 1992 by Mr. Pratap K Mehta, Kilitch Drugs (India) Limited (Kilitch) undertakes contract manufacturing of injectables, cephalosporins (all dosage forms), parenterals, and other formulations. The company has manufacturing facilities in Thane (Maharashtra) and Paonta Sahib (Himachal Pradesh). Kilitch is setting up a facility for manufacturing contraceptives, sex hormones, and carbapenems (beta lactum antibiotics) in Paonta Sahib, which will cater to the regulated markets.

CRISIL placed ratings on Kilitch's facilities on watch on October 18, 2011 following the announcement by Kilitch's management regarding the company's plan to sell off a significant portion of its business and assets to the US-based Akorn Inc (Akorn) on a slump-sale basis for an aggregate consideration of about Rs.2 billion. Kilitch's board of directors, and its shareholders have approved the business transfer agreement (BTA) signed by Kilitch and Akorn. As per the BTA, Kilitch proposes to sell the majority of its contract manufacturing business and related assets at its recently set-up plant at Paonta Sahib for a consideration of Rs.1.88 billion to Akorn. Furthermore, Kilitch also proposes to transfer a few of its products manufactured at its plant in Navi Mumbai (Maharashtra) to Akorn for a consideration of Rs.117.5 million; earlier, these products were to be shifted to Kilitch's plant in Paonta Sahib. Besides, Kilitch's promoters will also be subjected to non-compete and non-solicitation obligations for four years, for which they will receive a consideration of Rs.200 million from Akorn. Also, Kilitch's promoters plan to sign a management services and transition support agreement with Akorn for an additional consideration of Rs.325 million, to facilitate transition of business from Kilitch to Akorn.

Rating Strengths

- Established presence and strong client base in contract manufacturing space for injectables
- Healthy financial risk profile marked by comfortable debt protection metrics and capital structure

Rating Weaknesses

- Customer concentration in revenues and support to group company
- Exposure to risks related to diversification into hormones business

Key Rating Sensitivity Factors

- Ability to diversify revenues by securing more clients
- Completion of procedures are per BTA
- Kilitch's proposed utilisation of funds to be received as per BTA
- Significant debt-funded capital expenditure
- Increase in operational support to affiliate, NBZ Pharma Ltd (NBZ; rated 'CRISIL BBB-/Stable/CRISIL A3')

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1460	1427	1290
OPBDIT	223	240	238
PAT	105	102	111
Tangible Networth	839	737	638
Total Debt	531	430	356
OPBDIT Margins (%)	15.2	16.8	18.5
Net Profit Margins (%)	7.2	7.2	8.6
Interest cover (times)	6.01	5.22	4.69
NCA / Total Debt (times)	0.28	0.35	0.45
Gearing (times)	0.63	0.58	0.56
Total Debt / PBDIT (times)	2.37	1.82	1.48

KIMS Healthcare Management Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
18/May/2011	A-		A2+	Stable
27/May/2008	A-**			Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of KIMS Healthcare Management Ltd (KIMS) and its subsidiaries, KIMS Cancer Care & Research Center Pvt Ltd (KPCCC; 51 per cent owned by KIMS), and KIMS Healthcare and Research Centre Ltd, Kochi (KIMS Kochi; 60 per cent), collectively referred to as the KIMS group.

KIMS was promoted in 2002 by a group of Gulf-based non-resident Indian (NRI) doctors in Thiruvananthapuram. It is a tertiary-care hospital with 39 specialty departments, including holistic medicine and ayurveda. KIMS has been affiliated with the National Accreditation Board for Hospitals, Australian Council on Healthcare Standards International, and the National Accreditation Board for Laboratories. As on March 31, 2011, KIMS' hospital had 450 beds and more than 1400 medical, nursing, and paramedical staff, including 362 doctors.

KPCCC, a 51:49 joint venture (JV) between KIMS and the Pinnacle Health group, California, set up an oncology centre in KIMS's premises. The facility commenced operations in December 2010. KIMS Kochi commenced operations in March 2011; its 120-bed trauma-care hospital was set up at a cost of Rs.250 million, which has been funded through term debt of Rs.100 million and the balance through equity.

Rating Strengths

- Healthy operating capability
- Healthy financial risk profile

Rating Weaknesses

- Exposure to risks related to delay in stabilisation of operations at planned capacity additions
- Relatively small scale of operations and geographic concentration in revenues

Outlook:Stable

CRISIL believes that the KIMS group's revenues will continue to increase over the medium term, supported by revenues from the group's recently commissioned cancer-care unit in Thiruvananthapuram and its new unit in Kochi. The group's gearing and debt protection metrics are expected to remain healthy, supported by healthy cash accruals, over the medium term. The outlook may be revised to 'Positive' in case of a significant increase in the group's scale of operations and in its geographic diversification, together with the stabilisation of operations at its upcoming capacities. Conversely, the outlook may be revised to 'Negative' in case of significant cost or time overrun in the group's ongoing project or a sharp decline in profitability, leading to deterioration in its financial risk profile.

Key Rating Sensitivity Factors

- Significant time and cost overruns in implementation of new projects
- Delay in equity infusion
- Additional large debt-funded capital expenditure

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1012	895	727
OPBDIT	218	197	152
PAT	66	51	40
Tangible Networth	638	514	480
Total Debt	368	448	398
OPBDIT Margins (%)	21.6	22.0	20.9
Net Profit Margins (%)	6.5	5.6	5.5
Interest cover (times)	5.77	4.87	3.95
NCA / Total Debt (times)	0.32	0.23	0.16
Gearing (times)	0.58	0.87	0.83
Total Debt / PBDIT (times)	1.66	2.27	2.59

Kirloskar Ebara Pumps Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
5/Jan/2010	A+**		A1+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Kirloskar Ebara Pumps Ltd (KEPL) is a joint venture (JV) company promoted by Pune based Kirloskar Brothers Ltd (KBL, rated 'AA+/Negative/CRISIL A1+') and Ebara Corporation (EC) of Japan in 1988 for manufacturing and selling special purpose rotary machines, such as pumps required in process industries for handling viscous liquids and chemicals. KBL and EC hold 45 per cent stake each in the company, while the remaining 10 per cent is held by the Kirloskar family, KBL employees' welfare trust and others.

The overall management of KEPL including procurement, operations and marketing are handled under the guidance of the Kirloskar group, while the technical drawings and designs of pumps are provided by EC. To diversify its revenue profile, the company has entered into collaboration with Elliot Company, USA for manufacturing drive turbines and with EKOL of Czech Republic for manufacturing power turbines. KEPL now operates in two business segments – process pumps & boiler feed pumps (which together contribute around 80 per cent of revenue with pump spares contributing another 10 per cent), and turbines contributing around 10 per cent. The end-users of KEPL's products are mainly from the hydrocarbon processing industry.

Rating Strengths

- Strong financial risk profile
- Established market position in process pumps industry

Rating Weaknesses

- Vulnerability of operating margins to competitive pressures, and raw material price fluctuations
- Exposure to risks relating to cyclicality in demand from end-user industries

Outlook:Stable

CRISIL believes that KEPL will maintain its stable market position, and strong financial risk profile on the back of healthy accruals, over the medium term. The outlook may be revised to 'Positive' if KEPL's scale of operations increases, or if its operating margin improves significantly because of increase in scale of operations in the turbine segment, leading to improvement in the company's business risk profile. Conversely, the outlook may be revised to 'Negative' if KEPL undertakes larger-than-expected debt-funded capital expenditure, or if there is steep decline in its net cash accruals, resulting in deterioration in its financial risk profile.

Key Rating Sensitivity Factors

- Growth in turbines segment of the business
- Demand from the end-user industry
- Maintenance of operating margins
- Working capital management

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1244	1241	1256
OPBDIT	401	392	322
PAT	245	241	182
Tangible Networth	992	787	591
Total Debt	69	45	105
OPBDIT Margins (%)	31.7	31.0	25.5
Net Profit Margins (%)	19.3	19.1	14.4
Interest cover (times)	35.89	41.68	25.60
NCA / Total Debt (times)	3.48	5.11	1.66
Gearing (times)	0.07	0.06	0.18
Total Debt / PBDIT (times)	0.17	0.11	0.33

Kirloskar Ferrous Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
29/Apr/2011	A+		A1+	Stable
18/Mar/2010	A+		A1	Stable
1/Apr/2008	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Incorporated in September 1991, Kirloskar Ferrous Industries Ltd (KFIL) was promoted by Kirloskar Oil Engines Ltd (KOEL, rated 'CRISIL AA/Stable/CRISIL A1+') and Shivaji Works Ltd. Shivaji Works Ltd was merged with KOEL in 2000 and KOEL's castings division, Solapur (Maharashtra), was subsequently acquired by KFIL. The company manufactures pig iron, ferrous castings such as cylinder blocks, housings, cylinder heads, axles and transmission parts, and investment castings. Pig iron is used by foundries catering to the automobile, tractor, pump, textile, and diesel engine industries, and secondary steel mills. The castings are used in the automobile, tractor, diesel engine, and locomotive industries.

KFIL's plants in Hospet (Karnataka) and Solapur have combined casting capacity of 112,000 tonnes per annum (tpa); they also have a combined pig iron capacity of 240,000 tpa. The company also has two steam turbines with a combined power cogeneration capacity of 7 megawatts.

Rating Strengths

- Strong financial risk profile marked by low gearing and comfortable debt coverage indicators
- Established relationships with original equipment manufacturers (OEMs) in casting business

Rating Weaknesses

- Vulnerability to sharp movements in raw material prices
- Concentration in revenues from casting division, with huge exposure to tractor segment

Outlook: Stable

CRISIL believes that KFIL's financial risk profile will remain strong over the medium term, supported by expected improvement in its operating efficiency and increase in its cash accruals. The outlook may be revised to 'Positive' if KFIL's business risk profile improves steadily, which most likely will happen if the company manages to backward-integrate its operations for its raw material requirements by acquiring iron ore mines, or forward-integrates its pig iron operations. Conversely, the outlook may be revised to 'Negative' if there is a significant drop in its operating margins, or it undertakes a larger-than-expected, debt-funded capital expenditure (capex), thereby weakening its capital structure.

Key Rating Sensitivity Factors

- Larger-than-expected capex and its funding pattern
- Significant changes in price and volume of products
- Volatility in raw material prices

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	10173	7244	6313
OPBDIT	976	950	614
PAT	483	491	79
Tangible Networth	3478	3255	2951
Total Debt	-	63	189
OPBDIT Margins (%)	9.2	11.8	8.8
Net Profit Margins (%)	4.4	6.1	1.1
Interest cover (times)	26.92	13.90	4.30
NCA / Total Debt (times)	-	8.18	1.02
Gearing (times)	-	0.02	0.06
Total Debt / PBDIT (times)	NP	NP	NP

KLJ Organic Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
17/Oct/2011	A		A1	Stable
5/Aug/2010	A-		A2+	Stable
15/Oct/2009	BBB+		A2+	Positive
20/Jan/2009	BBB+**		A2**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the credit profiles of KLJ Plasticizers Ltd (KLJ Plasticizers), KLJ Organic, including its subsidiary KLJ Organic (Thailand) Ltd (KLJOTL), KLJ Polymers & Chemicals Ltd (KLJ Polymer), KLJ Resources Ltd (KLJ Resources), Silvassa Plast (merged with KLJ Plasticiser with effect from April 01, 2011), and KLJ Polyalloys (closed with effect from April 01, 2011), collectively referred to as the KLJ group. The group is one of the leading manufacturers of plasticisers in South Asia with capacity of 150,000 tonnes per annum (tpa). It has five different companies/proprietorships in manufacturing and one trading company. The KLJ group is also planning to set up a 49:51 joint venture with Qatar Industrial Manufacturing Company, for chlorinated paraffin wax at Qatar.

Set up in 1996, KLJ Organic manufactures chlorinated paraffin, which is used as a secondary plasticizer. Its unit at Jhagadia Industrial Estate, Bharuch, Gujarat, has an installed capacity of 50,000 tpa. The company set up KLJOTL in 2007-08 for manufacturing various chemical products; the subsidiary began operations in October 2008. Set up in 1997, KLJ Plasticizers manufactures phthalate plasticisers at its Silvassa facility; it became a public limited company in July 2008. The unit is the single-largest plant for manufacture of plasticisers in India with installed capacity of 84,000 tpa.

Rating Strengths

- Leadership position in plasticiser business with good presence in compounding business
- Above-average operating efficiencies driven by port-based facilities and relationship with suppliers
- Comfortable financial risk profile

Rating Weaknesses

- Susceptibility of operating margin to fluctuations in raw material prices and foreign exchange (forex) rates
- Working-capital-intensive operations, driven by high inventory and debtor levels

Outlook:Stable

CRISIL believes that the KLJ group will maintain its leadership in the plasticiser business, and its above-average operating efficiencies, over the medium term. The group's financial risk profile is expected to remain healthy during this period, supported by low gearing, strong net worth and comfortable debt protection measures. The outlook may be revised to 'Positive' if the KLJ group reports higher-than-expected cash accruals because of ramp up in revenues and profitability while it limits its exposure to real estate ventures. Conversely, the outlook may be revised to 'Negative' if there is more-than-expected pressure on the KLJ group's cash accruals because of volatility in raw material prices and forex rates, or if the group's capital structure weakens because of more-than-expected cash outflows to the real estate business.

Key Rating Sensitivity Factors

- Larger-than-expected investment in Qatar project
- Extent of support to real estate business
- Ability to sustain profitability margin amidst volatility in raw material prices and forex rates
- Working capital management
- Capital expenditure plans and their funding mix

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	19169	13331	11213
OPBDIT	2116	1539	157
PAT	1368	929	-32
Tangible Networth	3967	2757	1613
Total Debt	3430	2660	2264

OPBDIT Margins (%)	11.0	11.5	1.4
Net Profit Margins (%)	7.1	6.9	-0.3
Interest cover (times)	12.45	8.21	1.46
NCA / Total Debt (times)	0.31	0.33	-0.01
Gearing (times)	0.86	0.96	1.40
Total Debt / PBDIT (times)	1.56	1.66	9.21

KLJ Plasticizers Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
18/Oct/2011	A		A1	Stable
5/Aug/2010	A-		A2+	Stable
15/Oct/2009	BBB+		A2+	Positive
20/Jan/2009	BBB+**		A2**	Stable

For arriving at its ratings, CRISIL has combined the credit profiles of KLJ Plasticizers Ltd (KLJ Plasticizers), KLJ Organic, including its subsidiary KLJ Organic (Thailand) Ltd (KLJOTL), KLJ Polymers & Chemicals Ltd (KLJ Polymer), KLJ Resources Ltd (KLJ Resources), Silvassa Plast (merged with KLJ Plasticiser with effect from April 01, 2011), and KLJ Polyalloys (closed with effect from April 01, 2011), collectively referred to as the KLJ group. The group is one of the leading manufacturers of plasticisers in South Asia with capacity of 150,000 tonnes per annum (tpa). The KLJ group is also planning to set up a 49:51 joint venture with Qatar Industrial Manufacturing Company, for chlorinated paraffin wax at Qatar.

Set up in 1996, KLJ Organic manufactures chlorinated paraffin, which is used as a secondary plasticizer. Its unit at Jhagadia Industrial Estate, Bharuch, Gujarat has an installed capacity of 50,000 tpa. The company set up a subsidiary, KLJOTL in Thailand in 2007-08 for manufacturing various chemical products; the subsidiary began operations in October 2008.

Rating Strengths

- Leadership position in plasticiser business, with good presence in compounding and trading business
- Above-average operating efficiencies, driven by port-based facilities and relationship with suppliers
- Comfortable financial risk profile

Rating Weaknesses

- Susceptibility of operating margin to fluctuations in raw material prices and foreign exchange (forex) rates
- Working-capital-intensive operations, driven by high inventory and debtor levels

Outlook:Stable

CRISIL believes that the KLJ group will maintain its leadership in the plasticizer business, and its above-average operating efficiencies, over the medium term. The group's financial risk profile is expected to remain healthy during this period, supported by low gearing, strong net worth and comfortable debt protection measures. The outlook may be revised to 'Positive' if the KLJ group reports higher-than-expected cash accruals because of ramp up in revenues and profitability while it limits its exposure to real estate ventures. Conversely, the outlook may be revised to 'Negative' if there is more-than-expected pressure on the KLJ group's cash accruals because of volatility in raw material prices and forex rates, or if the group's capital structure weakens because of more-than-expected cash outflows to the real estate business.

Key Rating Sensitivity Factors

- Larger-than-expected investment in Qatar project
- Extent of support to real estate business
- Ability to sustain profitability margin amidst volatility in raw material prices and forex rates
- Working capital management
- Capital expenditure plans and their funding mix

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	19169	13331	11213
OPBDIT	2116	1539	157
PAT	1368	929	-32
Tangible Networth	3967	2757	1613
Total Debt	3430	2660	2264

OPBDIT Margins (%)	11.0	11.5	1.4
Net Profit Margins (%)	7.1	6.9	-0.3
Interest cover (times)	12.45	8.21	1.46
NCA / Total Debt (times)	0.31	0.33	-0.01
Gearing (times)	0.86	0.96	1.40
Total Debt / PBDIT (times)	1.56	1.66	9.21

KLJ Polyalloys

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
17/Oct/2011	A		A1	Stable
5/Aug/2010	A-		A2+	Stable
15/Oct/2009	BBB+		A2+	Positive
20/Jan/2009	BBB+**		A2**	Stable

***Initial Bank loan rating assigned*

For arriving at its ratings, CRISIL has combined the credit profiles of KLJ Plasticizers Ltd (KLJ Plasticizers), KLJ Organic, including its subsidiary KLJ Organic (Thailand) Ltd (KLJOTL), KLJ Polymers & Chemicals Ltd (KLJ Polymer), KLJ Resources Ltd (KLJ Resources), Silvassa Plast (merged with KLJ Plasticiser with effect from April 01, 2011), and KLJ Polyalloys (closed with effect from April 01, 2011), collectively referred to as the KLJ group. The group is one of the leading manufacturers of plasticisers in South Asia with capacity of 150,000 tonnes per annum (tpa). The KLJ group is also planning to set up a 49:51 joint venture with Qatar Industrial Manufacturing Company, for chlorinated paraffin wax at Qatar.

Set up in 1996, KLJ Organic manufactures chlorinated paraffin at its unit at Bharuch, Gujarat (capacity of 50,000 tpa). The company set up KLJOTL in Thailand in 2007-08 for manufacturing various chemical products. Set up in 1997, KLJ Plasticizers manufactures phthalate plasticisers at its Silvassa facility. The unit is the single-largest plant for manufacture of plasticisers in India with installed capacity of 84,000 tpa. Set up in 1998 by Mr. Hemant Jain, KLJ Polyalloys manufactures PVC compounds. It has an installed capacity of 20,000 tpa. Set up in 1990, KLJ Polymers initially started with manufacturing specialty plasticizers and subsequently ventured into manufacturing of compounds in 2004-05. It has plasticizers and plastic compounds capacity of 44,000 tpa. KLJ Resources was established in 2006 to centralise all trading activities.

Rating Strengths

- Leadership position in plasticiser business with good presence in compounding business
- Above-average operating efficiencies driven by port-based facilities and established relationship with suppliers
- Comfortable financial risk profile

Rating Weaknesses

- Susceptibility of operating margin to fluctuations in raw material prices and foreign exchange (forex) rates
- Working-capital-intensive operations, driven by high inventory and debtor levels

Outlook:Stable

CRISIL believes that the KLJ group will maintain its leadership in the plasticizer business, and its above-average operating efficiencies, over the medium term. The group's financial risk profile is expected to remain healthy during this period, supported by low gearing, strong net worth and comfortable debt protection measures. The outlook may be revised to 'Positive' if the KLJ group reports higher-than-expected cash accruals because of ramp up in revenues and profitability while it limits its exposure to real estate ventures. Conversely, the outlook may be revised to 'Negative' if there is more-than-expected pressure on the KLJ group's cash accruals because of volatility in raw material prices and forex rates, or if the group's capital structure weakens because of more-than-expected cash outflows to the real estate business.

Key Rating Sensitivity Factors

- Investment in Qatar project
- Extent of support to real estate business
- Ability to maintain operating margin
- Working capital management
- Capital expenditure plans and their funding mix

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	19169	13331	11213
OPBDIT	2116	1539	157
PAT	1368	929	-32
Tangible Networth	3967	2757	1613
Total Debt	3430	2660	2264
OPBDIT Margins (%)	11.0	11.5	1.4
Net Profit Margins (%)	7.1	6.9	-0.3
Interest cover (times)	12.45	8.21	1.46
NCA / Total Debt (times)	0.31	0.33	-0.01
Gearing (times)	0.86	0.96	1.40
Total Debt / PBDIT (times)	1.56	1.66	9.21

KLJ Polymers and Chemicals Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
18/Oct/2011	A		A1	Stable
5/Aug/2010	A-		A2+	Stable
15/Oct/2009	BBB+		A2+	Positive
20/Jan/2009	BBB+**		A2**	Stable

***Initial Bank loan rating assigned*

For arriving at its ratings, CRISIL has combined the credit profiles of KLJ Plasticizers Ltd (KLJ Plasticizers), KLJ Organic, including its subsidiary KLJ Organic (Thailand) Ltd (KLJOTL), KLJ Polymers & Chemicals Ltd (KLJ Polymer), KLJ Resources Ltd (KLJ Resources), Silvassa Plast (merged with KLJ Plasticiser with effect from April 01, 2011), and KLJ Polyalloys (closed with effect from April 01, 2011), collectively referred to as the KLJ group. The group is one of the leading manufacturers of plasticisers in South Asia with capacity of 150,000 tonnes per annum (tpa). The KLJ group is also planning to set up a 49:51 joint venture with Qatar Industrial Manufacturing Company, for chlorinated paraffin wax at Qatar.

Set up in 1996, KLJ Organic manufactures chlorinated paraffin at its unit at Bharuch, Gujarat (capacity of 50,000 tpa). The company set up KLJOTL in Thailand in 2007-08 for manufacturing various chemical products. Set up in 1997, KLJ Plasticizers manufactures phthalate plasticisers at its Silvassa facility. The unit is the single-largest plant for manufacture of plasticisers in India with installed capacity of 84,000 tpa. Set up in 1998 by Mr. Hemant Jain, KLJ Polyalloys manufactures PVC compounds. It has an installed capacity of 20,000 tpa. Set up in 1990, KLJ Polymers initially started with manufacturing specialty plasticizers and subsequently ventured into manufacturing of compounds in 2004-05. It has plasticizers and plastic compounds capacity of 44,000 tpa. KLJ Resources was established in 2006 to centralise all trading activities.

Rating Strengths

- Leadership position in plasticiser business with good presence in compounding business
- Above-average operating efficiencies driven by port-based facilities and established relationship with suppliers
- Comfortable financial risk profile

Rating Weaknesses

- Susceptibility of operating margin to fluctuations in raw material prices and foreign exchange (forex) rates
- Working-capital-intensive operations, driven by high inventory and debtor levels

Outlook:Stable

CRISIL believes that the KLJ group will maintain its leadership in the plasticizer business, and its above-average operating efficiencies, over the medium term. The group's financial risk profile is expected to remain healthy during this period, supported by low gearing, strong net worth and comfortable debt protection measures. The outlook may be revised to 'Positive' if the KLJ group reports higher-than-expected cash accruals because of ramp up in revenues and profitability while it limits its exposure to real estate ventures. Conversely, the outlook may be revised to 'Negative' if there is more-than-expected pressure on the KLJ group's cash accruals because of volatility in raw material prices and forex rates, or if the group's capital structure weakens because of more-than-expected cash outflows to the real estate business.

Key Rating Sensitivity Factors

- Investment in Qatar project
- Extent of support to real estate business
- Ability to maintain operating margin
- Working capital management
- Capital expenditure plans and their funding mix

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	19169	13331	11213
OPBDIT	2116	1539	157
PAT	1368	929	-32
Tangible Networth	3967	2757	1613
Total Debt	3430	2660	2264

OPBDIT Margins (%)	11.0	11.5	1.4
Net Profit Margins (%)	7.1	6.9	-0.3
Interest cover (times)	12.45	8.21	1.46
NCA / Total Debt (times)	0.31	0.33	-0.01
Gearing (times)	0.86	0.96	1.40
Total Debt / PBDIT (times)	1.56	1.66	9.21

KLJ Resources Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
17/Oct/2011	A		A1	Stable
5/Aug/2010	A-		A2+	Stable
15/Oct/2009	BBB+		A2+	Positive
20/Jan/2009	BBB+**		A2**	Stable

***Initial Bank loan rating assigned*

For arriving at its ratings, CRISIL has combined the credit profiles of KLJ Plasticizers Ltd (KLJ Plasticizers), KLJ Organic, including its subsidiary KLJ Organic (Thailand) Ltd (KLJOTL), KLJ Polymers & Chemicals Ltd (KLJ Polymer), KLJ Resources Ltd (KLJ Resources), Silvassa Plast (merged with KLJ Plasticiser with effect from April 01, 2011), and KLJ Polyalloys (closed with effect from April 01, 2011), collectively referred to as the KLJ group. The group is one of the leading manufacturers of plasticisers in South Asia with capacity of 150,000 tonnes per annum (tpa). The KLJ group is also planning to set up a 49:51 joint venture with Qatar Industrial Manufacturing Company, for chlorinated paraffin wax at Qatar. Set up in 1996, KLJ Organic manufactures chlorinated paraffin at its unit at Bharuch, Gujarat (capacity of 50,000 tonnes per annum). The company set up KLJOTL in Thailand in 2007-08 for manufacturing various chemical products. Set up in 1997, KLJ Plasticizers manufactures phthalate plasticisers at its Silvassa facility. The unit is the single-largest plant for manufacture of plasticisers in India with installed capacity of 84,000 tpa. Set up in 1998 by Mr. Hemant Jain, KLJ Polyalloys manufactures PVC compounds. It has an installed capacity of 20,000 tpa. Set up in 1990, KLJ Polymers initially started with manufacturing specialty plasticizers and subsequently ventured into manufacturing of compounds in 2004-05. It has plasticizers and plastic compounds capacity of 44,000 tpa. KLJ Resources was established in 2006 to centralise all trading activities. It imports paraffin and other petroleum chemicals.

Rating Strengths

- Leadership position in plasticiser business with good presence in compounding business
- Above-average operating efficiencies driven by port-based facilities and relationship with suppliers
- Comfortable financial risk profile

Rating Weaknesses

- Susceptibility of operating margin to fluctuations in raw material prices and foreign exchange (forex) rates
- Working-capital-intensive operations, driven by high inventory and debtor levels

Outlook:Stable

CRISIL believes that the KLJ group will maintain its leadership in the plasticizer business, and its above-average operating efficiencies, over the medium term. The group's financial risk profile is expected to remain healthy during this period, supported by low gearing, strong net worth and comfortable debt protection measures. The outlook may be revised to 'Positive' if the KLJ group reports higher-than-expected cash accruals because of ramp up in revenues and profitability while it limits its exposure to real estate ventures. Conversely, the outlook may be revised to 'Negative' if there is more-than-expected pressure on the KLJ group's cash accruals because of volatility in raw material prices and forex rates, or if the group's capital structure weakens because of more-than-expected cash outflows to the real estate business.

Key Rating Sensitivity Factors

- Investment in Qatar project
- Extent of support to real estate business
- Ability to maintain operating margin
- Working capital management
- Capital expenditure plans and their funding mix

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	19169	13331	11213
OPBDIT	2116	1539	157
PAT	1368	929	-32
Tangible Networth	3967	2757	1613
Total Debt	3430	2660	2264

OPBDIT Margins (%)	11.0	11.5	1.4
Net Profit Margins (%)	7.1	6.9	-0.3
Interest cover (times)	12.45	8.21	1.46
NCA / Total Debt (times)	0.31	0.33	-0.01
Gearing (times)	0.86	0.96	1.40
Total Debt / PBDIT (times)	1.56	1.66	9.21

KNR Constructions Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
19/Oct/2010	A-		A2+	Stable
24/Oct/2008	BBB+**		A2**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of KNR Constructions Limited (KNRCL) and its two wholly owned subsidiaries, KNR Agrotech & Beverage Pvt Ltd (KABPL) and KNR Constructions LLC (Oman) (KCL). CRISIL has also moderately consolidated the business and financial risk profile of KNRCL's two SPVs, Patel KNR Infrastructure Pvt Ltd (Patel KNR Infra) and Patel KNR Heavy Infrastructure Pvt Ltd (Patel KNR Heavy Infra). KNRCL owns 40 per cent of each of these SPVs; the SPVs are integral to KNRCL's business. The entities are herein collectively referred to as the KNR group.

KNRCL, set up in 1995, provides engineering, procurement, and construction (EPC) services across sectors such as roads and highways, irrigation, and urban water infrastructure management. The company has gradually upgraded from pure fixed-rate contracts to EPC-based contracts. KNRCL has executed infrastructure projects independently as well as through joint ventures (JVs) to leverage on the experience and execution capabilities of both the parties which will help bag orders in diverse areas and of higher value. Since 2000, the company has had a fruitful association with its JV partner, Patel Engineering Ltd (Patel Engineering). Patel KNR Infra and Patel KNR Heavy Infra (build-operate-transfer (BOT) road projects) are 60:40 JVs between Patel Engineering and KNRCL. Most of KNRCL's clients are government agencies such as the National Highways Authority of India (NHAI), and the public works departments (PWDs) of several state governments. KABPL operations are restricted to mango plantations near Hyderabad. KNRCL- FZE is KNRCL's is wholly owned subsidiary in Dubai. As on date, KNRCL does not have any projects outside India. KNRIPPL became the subsidiary of KNRCL in March 2011. The company has recently started operating with trading in iron ore to China.

Rating Strengths

- Healthy revenue growth prospects, with sizeable order book and strong execution capabilities
- Healthy financial risk profile

Rating Weaknesses

- Working-capital-intensive operations
- Fragmentation in construction industry leading to intense competition

Outlook:Stable

CRISIL believes that the KNR group will continue to benefit over the medium term from its healthy order book and steady growth in its operating income. The group's financial risk profile is expected to remain robust on the back of low gearing and healthy cash accruals. The outlook may be revised to 'Positive' if there is continued improvement in the group's revenues and profitability, and diversification in its project profile. Conversely, the outlook may be revised to 'Negative' if the group's financial risk profile weakens, most likely because of time and cost overruns in the group's ongoing and future projects, decline in its profitability, or increase in exposure to BOT projects.

Key Rating Sensitivity Factors

- Timely and efficient execution of projects
- Funding pattern of future BOT projects
- Capital expenditure plans and their funding mix

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	10,252	8,851	7,480
OPBDIT	1,519	1,272	1,116
PAT	579	658	437
Tangible Networth	3,697	3,174	2,562
Total Debt	1,794	1,563	1,695
OPBDIT Margins (%)	14.8	14.3	14.9
Net Profit Margins (%)	5.6	7.4	5.8
Interest cover (times)	10.30	10.17	6.26
NCA / Total Debt (times)	0.55	0.59	0.40
Gearing (times)	0.49	0.49	0.66
Total Debt / PBDIT (times)	1.18	1.10	1.48

Kolkata Municipal Corporation

Date	LT	CCR	FD	ST	Outlook
Current Rating					
	A+	A+			Stable
Rating History					
13/Oct/2011	A+	A+			Stable
18/Jan/2010	A+	A+			Positive
27/Aug/2008	A+	A+^			Stable
18/Jan/2005	A+**				Stable

***Initial Bank loan rating assigned*

Company Background:

Kolkata Muncipal Corporation's (KMC's) jurisdiction extends over 187.33 square kilometres and covers a population of 5 million (as per the 2011 census). The provisions of the KMC Act, 1980, govern KMC. Kolkata is the hub for business activities in eastern India. The major services provided by KMC are water supply, solid waste management (SWM), sewerage/drainage, and primary education.

Rating Strengths

- Healthy financial risk profile
- Focus on reforms
- Favourable legal framework for borrowing

Rating Weaknesses

- Inefficient water supply network, obsolete sewerage network, unscientific SWM, and narrow roads
- Dependence on Government of West Bengal (GoWB) for finances

Outlook: Stable

CRISIL believes that KMC's economic management and service levels, although progressing slowly, will improve over the medium term. The outlook may be revised to 'Positive' if the corporation demonstrates sustained improvement in its economic management by successfully completing its ongoing projects and reforms, leading to improvement in its service levels, or if there is a significant improvement in its revenue surplus through higher collections of user charges and property tax. Conversely, the outlook may be revised to 'Negative' if the corporation contracts more–than-expected debt to fund its current projects or if it faces further delays in completing its reforms and projects.

Key Rating Sensitivity Factors

- Extent and timely disbursements of grants by GoWB
- Extent of future debt-funded capital expenditure
- Ability to use land bank and generate surplus to service debt obligations
- Successful implementation of reforms

Financial Performance

Rupees Billion	31-Mar-11	31-Mar-10	31-Mar-09
Revenue Receipts	16	16	14
Operating Surplus	-5	-2	-1
Revenue Surplus/(Deficit)	-5	-2	-1
Capital Surplus /(Deficit)	1	1	-0.4
Overall Surplus/(Deficit)	-4	-1	-1
Net Debt	4	4	4

Operating Surplus/ Revenue receipts (%)	-31.0	-14.0	-5.0
Revenue Surplus/ Revenue receipts (%)	-31.0	-14.0	-5.0
Operating Surplus/ Net debt (%)	-113.0	-52.0	-20.0
Net Debt/ Revenue receipts (%)	27.0	27.0	27.0

Krishi Rasayan

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
15/Dec/2010	A-		A2+	Stable
29/Sep/2008	BBB+**		A2**	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Krishi Rasayan (KR) and Krishi Rasayan Exports Pvt Ltd (KREPL), together referred to as the KR group.

The KR group was established in 1966 by Mr. Parmanand Churiwal. KR began operations with a small pesticide formulation unit in Orissa. In 1973, KR Bihar was formed; its name was later changed to KREPL. KREPL has composite technical manufacturing units, with formulation plants in Muzaffarpur (Bihar), Baddi (Himachal Pradesh), and Jammu and Kashmir, all of which are International Standards Organisation (ISO) 9001-2000 certified. KR is now managed by Mr. Atul Churiwal and Mr. Vinay Churiwal (sons of Mr. Parmanand Churiwal). The family has a stake of 55 per cent in KREPL.

Rating Strengths

- Healthy financial risk profile
- Operational efficiency supported by wide market reach
- Comfortable market position and wide product range

Rating Weaknesses

- Lack of backward integration in manufacture of technicals
- Working-capital-intensive operations
- Vulnerability of cash flows to competition from existing players, regulations, and natural factors

Outlook: Stable

CRISIL believes that the KR group will maintain its market position for most of its products. CRISIL also expects KREPL to provide timely and need-based financial support to KR. The outlook may be revised to ‘Positive’ if KR strengthens its business risk profile through greater diversity in its geographic profile while maintaining its operating margin. Conversely, any large, additional debt-funded capital expenditure (capex) or acquisition, leading to deterioration in the group’s financial risk profile, may lead to a revision in the outlook to ‘Negative’.

Key Rating Sensitivity Factors

- Any large debt-funded capex
- Maintenance of adequate capital in the business
- Exposure in unrelated ventures

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	4290	3415	2557
OPBDIT	482	448	297
PAT	324	352	253
Tangible Networth	1716	1330	958
Total Debt	860	596	390
OPBDIT Margins (%)	11.2	13.1	11.6
Net Profit Margins (%)	7.5	10.3	9.9
Interest cover (times)	7.50	5.67	9.68
NCA / Total Debt (times)	0.38	0.53	0.66
Gearing (times)	0.50	0.45	0.41
Total Debt / PBDIT (times)	1.66	1.29	1.30

Krohne Marshall Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
7/May/2010	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Krohne Marshall Private Ltd (KMPL), set up in 1984, is a 50:50 JV between Forbes Marshall Pvt Ltd and Krohne Messtechnik GmbH. KMPL manufactures equipment for flow and level measurement and control. In addition, it also provides a sophisticated range of flow meters, level switches and measurement devices. The company's products find use in variety of industries ranging from water and water treatment, chemical and petrochemical, food, steel, paper, power, etc. The day-to-day operations are managed by the Forbes Marshall group with strategic inputs from the foreign partner. Krohne Messtechnik GmbH, founded in 1921 and owned by the Rademacher-Dubbick family, is a world leader in flow and level applications, with worldwide manufacturing, research and calibration facilities.

The Forbes Marshall group has been in the steam engineering and control instrumentation segment for more than six decades. The group's products find applications in diverse sectors such as power, cement, metals and mining, fertilisers, pharmaceuticals, and oil and gas. The group has its manufacturing facilities at Pimpri near Pune (Maharashtra). The group has formed many technological tie-ups under separate joint venture arrangements with large global players such as Spirax Sarco (UK), Krohne Messtechnik GmbH (Germany), Arca Regler GmbH (Germany), Vyncke (Belgium), and Codel International (UK) at various stages of the steam processing value chain.

Rating Strengths

- Established market position and longstanding presence in control instrumentation solutions business, supported by marketing set-up of Forbes Marshall group and strong technical capabilities of joint venture (JV) partner, Krohne Messtechnik GmbH
- Healthy financial risk profile, marked by low gearing and comfortable debt protection metrics

Rating Weakness

- Exposure to risks related to shifts in technology and cyclical nature of engineering products industry

Outlook: Stable

CRISIL believes that KMPL would maintain its established position in the steam engineering and control instrumentation segment supported by the marketing set-up of the Forbes Marshall group and the strong technical capabilities of its JV partner, Krohne. The financial risk profile of the company is also expected to remain healthy on the back of its healthy profitability levels and management's conservative financial policy. The outlook may be revised to 'Positive' if there is a substantial and sustained improvement in KMPL's revenues and profitability margins from the current levels or there is a significant improvement in its net worth on the back of equity infusion by the promoters. Conversely, the outlook may be revised to 'Negative' if there is a steep decline in KMPL's profitability margins from the current levels or there is weakening in its financial risk profile on account of large debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Ability to maintain operating margin amid volatile raw material prices
- Relationship with technology partners
- Working capital management

Financial Performance (Not Published)

Kumar Food Industries Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
16/Feb/2011	A-			Stable
3/Apr/2009	BBB**			Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its rating, CRISIL has combined the business and financial risk profiles of Shakti Bhog Foods Ltd (SBFL), Shakti Bhog Snacks Ltd (SBSL), Kumar Food Industries Ltd (KFIL), and Dash Exports Pvt Ltd (DEPL), together referred to as the Shakti Bhog group. SBFL, the group's flagship company, was incorporated in 1992. SBFL manufactures agro-based products, such as wheat flour, rice, edible oil, biscuits and dalia, sold primarily under the Shakti Bhog brand. Incorporated in 1998, SBSL manufactures agro-based products, such as tea, jam, and pickles, sold under the Shakti Bhog brand. The company is a wholly-owned subsidiary of SBFL. KFIL was promoted in 1991 and manufactures besan (gram flour) and pulses, majority of which it sells to SBFL. DEPL was incorporated in 2004, following the acquisition of the atta (wheat flour) manufacturing facility, including the land and building, of Cargil India Pvt Ltd (Cargil), located at Greater Noida (Uttar Pradesh). These facilities were used by Cargil to manufacture its Nature Fresh brand of atta. DEPL manufactures atta, majority of which it sells to SBFL.

Rating Strengths

- Established brand and extensive distribution network in domestic market
- Improving operating efficiencies and product portfolio

Rating Weaknesses

- High gearing level driven by large capital expenditure (capex) and increasing working capital requirements
- Exposure to risks associated with volatility in raw material prices because of large inventory

Outlook: Stable

CRISIL believes that the Shakti Bhog group will maintain its established position in the packaged wheat flour segment, and benefit from its improving operating efficiency and product profile. The outlook may be revised to 'Positive' in case of more-than-expected improvement in the group's financial risk profile, on account of fresh equity infusion or better-than-expected cash accruals. Conversely, the outlook may be revised to 'Negative' in case of more-than-expected deterioration in the group's financial risk profile or decline in its operating margin or scale of operations.

Key Rating Sensitivity Factors

- Capex plans, and their funding pattern
- Infusion of capital in the group
- Management of working capital requirements
- Improvement in operating margins
- Successful entry into biscuit and edible oil segment

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	27777	20503	15389
OPBDIT	2297	1607	806
PAT	943	703	332
Tangible Networth	3056	2101	1381
Total Debt	8075	4820	2153
OPBDIT Margins (%)	8.3	7.8	5.2
Net Profit Margins (%)	3.4	3.4	2.2
Interest cover (times)	3.19	3.56	3.80
NCA / Total Debt times)	0.12	0.15	0.17
Gearing (times)	2.64	2.29	1.56
Total Debt / PBDIT (times)	3.61	3.04	2.71

Kumar Organic Products Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
13/Jan/2012	A-	-	A2+	Stable
26/Oct/2010	BBB+	-	A2	Stable
29/Sep/2008	BBB	-	A3+	Positive

Company Background

For arriving at its ratings, CRISIL has combined the financial and business risk profiles of Kumar Organic Products Limited (KOPL) and its subsidiaries in the UK, the US, and Singapore (together referred to as the KOPL group).

Set up in 1993 by Mr. K K Singh and Mr. U K Singh, KOPL manufactures cosmeceutical specialty chemicals for use in the pharmaceutical and fast-moving consumer goods (FMCG) industries. The company has two manufacturing units in Jigani (Karnataka) and one unit in Baroda (Gujarat). KOPL's milling units have efficiency to provide particles of less than 1 micron in size, and adhere to high quality standards; it has ISO 9001:2000 certification for quality management and ISO 14001:1996 certification for environmental management. The KOPL group has its presence in the US, the UK, and Singapore; the US office was opened in July 2011.

Rating Strengths

- Established relations with clients and wide geographical reach backed by dealer and agent network
- High research and development (R&D) focus, enabling continuous improvement in product quality and new product development
- Healthy financial risk profile marked by stable operating margin and healthy return on capital employed (RoCE)

Rating Weaknesses

- Exposure to revenue concentration risks
- Susceptibility to fortunes of end-user industry (cosmetics and toiletries) and potential threat from substitutes

Outlook: Stable

CRISIL believes that the KOPL group will continue to benefit over the medium from the expected increase in demand for its products from its end-user industries. The outlook may be revised to 'Positive' if the group significantly improves its scale of operations and margins, driven by contribution from new products. Conversely, the outlook may be revised to 'Negative' if there is any slowdown in the KOPL group's end-user sectors, if KOPL is unable to pass on increase in raw material prices to its customers, thereby impacting its profitability, or if the KOPL group undertakes a larger-than-expected debt-funded capital expenditure programme.

Key Rating Sensitivity Factors

- Significant slowdown in end-user segments
- Flexibility in passing on increase in raw material prices to customers
- Ban on use of antifungal ingredients in consumer-care products

Financial Performance

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1,272	994	890
OPBDIT	289	195	179
PAT	200	118	99
Tangible Networth	572	394	295
Total Debt	127	123	194
OPBDIT Margins (%)	22.1	19.4	19.8
Net Profit Margins (%)	15.3	11.7	11.0
Interest cover (times)	16.72	9.74	5.29
NCA / Total Debt times)	1.69	1.07	0.60
Gearing (times)	0.22	0.31	0.66
Total Debt / PBDIT (times)	0.44	0.63	1.08

L&T Shipbuilding Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
20/May/2010	A+**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

CRISIL's ratings on L&T Shipbuilding Ltd's (LTSB's) bank facilities are centrally based on Larsen & Toubro Ltd's (L&T's; rated CRISIL AAA/FAAA/Stable/CRISIL A1+) ownership of LTSB.

LTSB is a 97:3 joint venture (JV) between L&T and Tamil Nadu Industrial Development Corporation Ltd (TIDCO), set up for development of a shipyard for construction and repairs of defense and commercial vessels, and a minor port with an annual container handling capacity of 1.2 million twenty-foot equivalent units (TEUs). The project is being executed at Katupalli (Tamil Nadu). The shipbuilding division will supply vessels to the Indian Navy and foreign navies, and to the Indian Coast Guard (ICG); it will also make vessels for commercial use. The port division will cater to the container cargo of varied industries such as automotive parts, engineering, leather goods, and chemicals industries.

The total project cost is Rs.33.75 billion, with a debt-to-equity ratio of 75:25. The project is scheduled to start commercial production in March 2012.

Rating Strengths

- Financial support from, and ownership by L&T
- L&T's strong track record in engineering, procurement, and construction (EPC) contracting business

Rating Weakness

- Exposure to risks related to timely implementation and commercialisation of ongoing shipyard and minor port project

Outlook: Stable

CRISIL's ratings on LTSB factor in the significant progress made in project implementation and the technical and financial support that it receives from L&T. The outlook may be revised to 'Positive' if LTSB starts generating revenues through its project in a timely manner, and builds a healthy order book in the near term. Conversely, the outlook may be revised to 'Negative' in case of significant time or cost overruns, additional debt-funded capital expenditure, or change in stance of support by L&T.

Key Rating Sensitivity Factors

- Time or cost overruns in project implementation
- L&T's credit risk profile and support from L&T
- Build up of order book

Financial Performance (Not Published)

L&T Special Steels and Heavy Forgings Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		**A1**	**Stable**
Rating History				
29/Mar/2011	**A+****		**A1****	**Stable**

***Initial Bank loan rating assigned*

Company Background:

L & T Special Steels and heavy Forgings Private limited (LTSHF) was incorporated in July 2009 as a 74:26 joint venture (JV) between Larsen & Toubro Ltd (L&T, rated 'CRISIL AAA/FAAA/Stable/CRISIL A1+') and Nuclear Power Corporation of India Ltd (NPCIL, rated 'CRISIL AAA/Stable'). LTSHF is setting up a fully integrated manufacturing facility for Rs.17.25 billion at Hazira, near Surat (Gujarat), for supply of heavy forgings mainly for the hydrocarbon and nuclear power sectors. The first phase of the project, with a 9,000-tonne press capability is likely to commence commercial operations by February 2012. The second phase with a 17,000-tonne press capability is scheduled to commence by March 2013. The project is being funded by a mix of equity (Rs.5.75 billion), loans from promoters (Rs.3.5 billion) and loans from bankers (Rs.8 billion). The project has achieved financial closure as of March 31, 2011.

Rating Strengths

- Strong business linkages with its leading promoter, L&T and the financial support it receives from L&T and co-promoter, NPCIL
- Healthy demand outlook for heavy forgings in India and in overseas markets

Rating Weaknesses

- Exposure to risks relating to timely implementation and stabilisation of the project
- Potential pressures on margins of forgings manufacturers due to increase in competition

Outlook: Stable

CRISIL believes that LTSHF will commence commercial operations without any significant time or cost overrun, and that the company will receive business and need-based financial support from L&T and its other co-promoter, NPCIL, thereby helping LTSHF stabilise its operations. The outlook may be revised to 'Positive' if LTSHF stabilises its operations earlier than expected. Conversely, the outlook may be revised to 'Negative' if the company faces delays in stabilisation of its operations, leading to deterioration in its financial risk profile. The rating may be downgraded if the rating on L&T is downgraded.

Key Rating Sensitivity Factors

- Time or cost overrun in project implementation
- Downward revision in L&T's credit rating

Financial Performance (Not Published)

L&T-MHI Turbine Generators Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Stable
Rating History				
28/Jan/2010	A+**			Stable

***Initial Bank loan rating assigned*

Company Background:

CRISIL's ratings on L&T-MHI Turbine Generators Pvt Ltd (LMTG) bank facilities are centrally based on Larsen & Toubro Ltd's (L&T's; rated CRISIL AAA/FAAA/Stable/CRISIL A1+) ownership of LMTG.

LMTG was formed in November 2007 as a 51:49 joint venure (JV) between L&T and Mitsubishi Heavy Industries Ltd (MHI), to set up a plant for manufacturing supercritical turbines and generators at Hazira (Gujarat). LMTG has entered into two technology agreements: with MHI for turbines, and with Mitsubishi Electric Corporation Ltd (MELCO), Japan, for generators. MELCO holds 10 per cent stake in LMTG, which, for the purposes of the JV agreement, is recognised and treated as shareholding by MHI. LMTG's plant will have capacity to manufacture around 4000 megawatt (MW)-equivalent of turbines and generators per annum. The project cost is estimated at around Rs.11.65 billion, which is expected to be funded through long-term loans of Rs.7.90 billion and the remaining through equity capital and accruals. The project cost has increased from the original plan of Rs.10.3 billion primarily because of addition of some equipment; there has been no cost overrun in the project so far.

LMTG has already started commercial operation, though the project is expected to be complete by 2014-15. The company also plans to set up a heavy foundry with investment of Rs.1.0 billion primarily to meet its captive requirements.

Rating Strengths

- Strong financial and technology support from promoters L&T and MHI
- Healthy domestic prospects for supercritical power plants over long term

Rating Weaknesses

- Exposure to risks relating to timely completion of project and stabilisation of operations thereafter
- Moderate financial risk profile
- Exposure to competition from Chinese players

Outlook: Stable

CRISIL believes that LMTG will complete its project on schedule and stabilise operations at the earliest backed by continued financial and operational support from its promoters. The outlook may be revised to 'Positive' in case of a sustainable improvement in the company's financial performance, most likely through improvement in its capital structure and key debt protection metrics. Conversely, the outlook may be revised to 'Negative' in case of delay in stabilising the project, additional debt-funded capital expenditure (capex), or revision in the outlook on L&T's long-term debt programmes to 'Negative'. The rating may also be downgraded in the event of a downward revision in the ratings on L&T's long-term debt programmes.

Key Rating Sensitivity Factors

- Time or cost overruns in project implementation
- Continued support from JV partners
- Large additional debt-funded capex
- L&T's credit risk profile

Financial Performance (Not Published)

Labindia Instruments Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
28/May/2009	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Set up in 1982, Labindia Instruments Pvt Ltd (LIPL) is engaged in marketing, manufacturing, and providing after-sales services for various analytical instruments, accessories, and products used by the chemicals, pharmaceuticals, petrochemicals, and biotechnology industries. These instruments are also used for basic research in academic and government laboratories. The company, based in Thane, near Mumbai, was promoted by four electronic engineering professionals, Mr. S G Bhalerao, Mr. S S Bapat, Mr. V M Bibikar and Mr. V S Upadhye.

In November 2010, LIPL sold off all assets with a book value of about Rs.38 million, ear marked for providing after sales services for its key principal Applied Biosystems Inc's (Applied Biosystems'; part of Life Technologies Corp [Life Technologies; rated 'BBB-/Stable' by Standard & Poor's]) products to Life Technologies Corp. The transaction followed the change in Applied Biosystems' business strategy, whereby it has planned to leverage upon the established marketing and after sales net work of Life Technologies in India. Life Technologies was founded in November 2008 upon the merger of Applied Biosystems and Invitrogen Corporation.

Rating Strengths

- Established track record in laboratory equipment business
- Healthy operating margin
- Strong financial risk profile

Rating Weaknesses

- Exposure to risks related to adverse changes in business strategy of its principal suppliers
- Diversification into unrelated businesses

Outlook: Stable

CRISIL believes that LIPL will continue to benefit over the medium term from its relationships with its principals and its good track record in the laboratory equipment industry. The outlook may be revised to 'Positive' if LIPL substantially increases its cash accruals as a result of higher growth in revenues and profitability, while maintaining its comfortable capital structure. Conversely, the outlook may be revised to 'Negative' if the company's revenues or profitability declines more than expected, or in case of any large debt-funded capital expenditure (capex) that adversely impacts the company's financial profile, or in case of change in business strategy of LIPL's principal that may negatively impact the company's performance.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Unrelated diversification, and fall in market value of investments
- Change in terms of contracts with principals

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1275	1174	951
OPBDIT	250	265	212
PAT	151	146	183
Tangible Networth	965	831	698
Total Debt	108	124	142
OPBDIT Margins (%)	19.5	22.5	22.1
Net Profit Margins (%)	11.8	12.5	19
Interest cover (times)	41.39	20.51	1229.7
NCA / Total Debt (times)	1.51	1.32	1.48
Gearing (times)	0.11	0.15	0.2
Total Debt / PBDIT (times)	0.41	0.44	0.47

Lakshmi Card Clothing Manufacturing Company Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
30/Sep/2008	A**		A1**	Stable

***Initial Bank loan rating assigned*

Company Background:

Based in Coimbatore, Tamil Nadu, Lakshmi Card Clothing Manufacturing Co Pvt Ltd (LCC) was promoted in 1960 in technical collaboration with Graf & Co, Switzerland. Graf & Co holds around 15 per cent of the equity in LCC. The company, which is a part of the Lakshmi Mills group, manufactures card clothing and card room accessories for the complete range of carding machines, and supplies to both original equipment manufacturers (OEMs) of textile machinery and textile mills across India. The company has three units, which manufacture products such as metallic card wires, flat tops, licker-in wires, flexible card clothing, stationary flat systems, card room accessories, radio frequency dryers, and hydro extractors. The company is also building a residential complex on two acres of its land in Coimbatore in a 35:65 revenue-sharing arrangement with Srivari Infrastructure Pvt Ltd (SIPL), wherein the entire development is being done by SIPL.

Rating Strengths

- Established market position in card clothing and card room accessories segments
- Healthy financial risk profile

Rating Weaknesses

- Exposure to risks related to sectoral concentration in revenue profile
- Working capital intensive operations

Outlook: Stable

CRISIL believes that LCC will maintain its business profile over the medium term, backed by its established market position in the card clothing and card room accessories segment. The outlook may be revised to 'Positive' if there is significant improvement in the company's top line, resulting in larger-than-expected cash accruals and improvement in its capital structure. Conversely, the outlook may be revised to 'Negative' if LCC contracts large debt to fund its capital expenditure (capex) or provides significant financial support to group companies, or invests substantially in real estate business, thereby impacting its business and financial risk profile.

Key Rating Sensitivity Factors

- Exposure to group companies
- Debt-funded capex

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	846	723	944
OPBDIT	194	150	223
PAT	69	72	92
Tangible Networth	521	503	472
Total Debt	536	460	423

Net Profit Margins (%)	8.12	9.8	9.6
Interest cover (times)	3.19	3.42	4.85
NCA / Total Debt (times)	0.14	0.21	0.16
Gearing (times)	1.03	0.91	0.9
Total Debt / PBDIT (times)	2.25	2.24	1.67

Lakshmi Electrical Control Systems Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
07/Oct/2008	A+		A1	Stable

Company Background:

Set up in 1981 as a backward-integrated arm of Lakshmi Machine Works Ltd (LMW), Lakshmi Electrical Control Systems Limited (LECS) manufactures control panels for textile machinery, low voltage (LV) switchgears, and industrial plastic components. LECS floated a public issue and was listed in 1984. LECS has an agreement with Rockwell Automation India, whereby the entire production of LV switchgears. LECS is managed by Mrs. Nethra J S Kumar, daughter of the late Dr. D Jayavarthanavelu, ex-chairman of both LMW and LECS.

Rating Strengths

- Backward-integrated arm of LMW, with high operating efficiencies
- Strong financial risk profile

Rating Weaknesses

- Susceptibility of the company's profitability to volatility in raw material prices
- Exposure to capital expenditure (capex) cycle of textile industry

Outlook:Stable

CRISIL believes that LECS will maintain its business risk profile, supported by LMW's assured offtake, over the medium term. The outlook may be revised to 'Positive' if LECS's scale of operations increases with improvement in its profitability, leading to significant improvement in its cash accruals and business risk profile. Conversely, the outlook may be revised to 'Negative' if the company's margins deteriorate significantly, adversely impacting its business risk profile, or if it extends sizeable funds to its associate companies, leading to deterioration in its financial risk profile.

Key Rating Sensitivity Factors

- Significant debt-funded capex or acquisitions
- Further exposure to weak group companies

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	961	993	1155
OPBDIT	138	123	233
PAT	74	55	118
Tangible Networth	541	475	428
Total Debt	110	73	148

OPBDIT Margins (%)	14.0	12.1	19.6
Net Profit Margins (%)	7.5	5.3	9.9
Interest cover (times)	29.45	10.9	14.9
NCA / Total Debt (times)	0.87	1.17	1.00
Gearing (times)	0.20	0.15	0.35
Total Debt / PBDIT (times)	0.74	0.55	0.61

Lakshmi Electrical Drives Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
10/Oct/2008	A	-	A1	Stable

Company Background:

Incorporated in 1983, Lakshmi Electrical Drives Limited (LEDL) is based in Coimbatore (Tamil Nadu). It was previously known as Lakshmi Foundries Ltd and produced cast iron castings and special application motors. As part of redevelopment in the early 90s, the company started manufacturing general purpose induction motors for textile industries and re-christened itself as LEDL. Since then, its focus has been on developing high-efficiency induction motors for various applications. LEDL is a closely held company, with Smt. Nethra Senthil Kumar (D/o late Dr. D Jayavarthanavelu, ex-chairman of Lakshmi Machinery Works Ltd (LMW)) holding 87 per cent stake in LEDL. The company manufactures energy-efficient electrical motors, primarily for use in the textiles industry. LEDL meets more than 90 per cent of the motor requirements of the LMW group.

Rating Strengths

- Established motor manufacturer with specialisation in textile machinery
- Healthy financial risk profile supported by comfortable gearing and healthy debt protection metrics
- Strong operational integration with group company, LMW, resulting in continuous demand for products

Rating Weaknesses

- High dependence on textile industry, which is prone to cyclicality
- Susceptibility of the company's profitability to volatility in raw material prices

Outlook: Stable

CRISIL believes that LEDL will maintain its business and financial risk profiles over the medium term, backed by assured offtake from the LMW group. The outlook may be revised to 'Positive' in case the company significantly scales up its operations supported by revenue diversity, while it maintains its healthy profitability leading to healthy cash accruals. Conversely, the outlook may be revised to 'Negative' if LEDL undertakes a large, debt-funded capital expenditure (capex) programme or extends significant support to its associate companies, adversely affecting its financial risk profile.

Key Rating Sensitivity Factors

- Debt-funded capex plans
- Exposure or investments in group companies

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	344	316	530
OPBDIT	100	98	174
PAT	49	56	116
Tangible Networth	440	394	341
Total Debt	54	135	135
OPBDIT Margins (%)	26.6	27.2	32.0
Net Profit Margins (%)	12.9	15.7	21.2
Interest cover (times)	11.91	8.72	22.79
NCA / Total Debt (times)	1.21	0.53	1.04
Gearing (times)	0.12	0.34	0.40
Total Debt / PBDIT (times)	0.54	1.30	0.66

Lakshmi Precision Tools Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
07/Oct/2008	A-	-	-	Stable

Company Background:

Lakshmi Precision Tools Limited (LPT), part of the Lakshmi Machine Works group, makes machine components and accessories, predominantly for use in the textile industry. Of its revenues in 2009-10, 75 per cent was derived from sale of textile machinery components, 13 per cent from sale of other machinery components, and the remainder from job work for textile industry.

Rating Strengths

- Healthy financial risk profile, marked by low gearing and strong debt protection metrics
- Assured revenues from group flagship company, Lakshmi Machine Works Ltd (LMW)

Rating Weaknesses

- Limited scale of operations
- High revenue dependence on textile industry

Outlook:Stable

CRISIL believes that LPT will maintain its credit risk profile over the medium term on the back of assured offtake from LMW. The outlook may be revised to 'Positive' in case LPT significantly scales up its operations and improves its operating profitability, leading to higher-than-expected cash accruals. Conversely, the outlook may be revised to 'Negative' if there is unexpected decline in offtake from LMW impacting LPT's business risk profile, or in case of large, debt-funded capital expenditure (capex) negatively impacting the company's financial risk profile.

Key Rating Sensitivity Factors

- Likelihood of increase in input prices
- Debt-funded capex
- Continued offtake and extent of, and revision in, prices by LMW

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	126	163	276
OPBDIT	9	20	36
PAT	3	7	22
Tangible Networth	110	108	105
Total Debt	13	21	31

OPBDIT Margins (%)	6.2	10.8	11.2
Net Profit Margins (%)	2.0	3.8	6.9
Interest cover (times)	6.18	4.74	8.11
NCA / Total Debt (times)	0.59	0.52	0.77
Gearing (times)	0.12	0.20	0.29
Total Debt / PBDIT (times)	1.34	0.99	0.70

Lakshmi Ring Travellers (Coimbatore) Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Positive
Rating History				
13/Oct/2010	A-		A2+	Positive
10/Nov/2008	A-		A2+	Stable

Company Background:

Lakshmi Ring Travellers (Coimbatore) Limited (LRT), a part of the Lakshmi Machine Works (LMW) group, was incorporated in 1974 as a joint venture (JV) with Walter Bracker SA of Switzerland. In 1999, the JV was discontinued. LRT manufactures ring travellers and related application tools, engineering tools and components, and steel castings. It also manufactures cotton yarn (the operations are outsourced to group company, Adwaith Textiles Ltd) and slub and core yarn attachments through Lakshmi Caipo Industries Ltd, a JV with Caipo Automazione Industriale srl, Italy.

Rating Strengths

- Established market presence in ring-traveller segment, and assured revenue model from sales of components to, and support from, Lakshmi Machine Works Ltd (LMW)
- Above-average financial risk profile

Rating Weaknesses

- Exposure to risks related to volatility in input prices
- Low technological sophistication of operations and vulnerability to intense industry competition
- Exposure to revenue concentration risks

Outlook:Positive

CRISIL believes that LRT's business risk profile will improve over the medium term with the stabilisation of operations at its new foundry division. The ratings may be upgraded if LRT generates more-than-expected sales from its foundry division, leading to an improvement in its financial risk profile, particularly profitability. Conversely, an unexpected increase in debt, delay in stabilisation of operations at the new foundry division, and substantial funds extended to group companies without commensurate returns, may lead to a revision in the outlook to 'Stable'.

Key Rating Sensitivity Factors

- Extent and funding mix of debt-funded capital expenditure
- Stabilisation and profitability of new venture

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	922	748	665
OPBDIT	245	183	195
PAT	87	71	75
Tangible Networth	514	448	390
Total Debt	350	346	363
OPBDIT Margins (%)	23.6	21.3	24.3
Net Profit Margins (%)	8.3	8.3	9.4
Interest cover (times)	5.96	6.77	6.42
NCA / Total Debt (times)	0.37	0.35	0.32
Gearing (times)	0.68	0.77	0.93
Total Debt / PBDIT (times)	1.46	1.78	1.86

Lalit Pipes & Pipes Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		**A2+**	**Stable**
Rating History				
30/Nov/2009	**A-**	**-**	**A2+**	**Stable**

Company Background:

Incorporated in 1991 by the Diler family, Lalit Pipes & Pipes Ltd (Lalit) manufactures longitudinal submerged arc welded (SAW) pipes. It commenced production in 1997 with capacity of 25,000 tonnes per annum (tpa); it has its manufacturing facility at Thane (near Mumbai). The company is currently managed by Mr. Salim Diler and Mr. Zoher Diler.

Rating Strengths

- Benefits derived from healthy growth prospects for SAW pipe industry, and established customer base
- Strong financial risk profile

Rating Weaknesses

- Susceptibility of operating margin to volatility in raw material prices
- Large working capital requirements

Outlook: Stable

CRISIL believes that Lalit will maintain its established position in the SAW pipe industry backed by its established customer relationships, and will continue to benefit from its healthy long-term growth prospects of the SAW pipes industry, over the medium term. The outlook may be revised to 'Positive' in case there is a substantial and sustained improvement in Lalit's revenues and profitability margins from the current levels, or there is an improvement in the company's working capital management. Conversely, the outlook may be revised to 'Negative' if Lalit's profitability declines steeply from the current levels or if the company undertakes a large debt-funded capital expenditure (capex) programme, thereby resulting in a weaker financial risk profile.

Key Rating Sensitivity Factors

- Impact of volatility in raw material prices
- Management of working capital requirements
- Extent and funding of capex

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1740	1457	1439
OPBDIT	157	120	109
PAT	63	46	44
Tangible Networth	522	460	414
Total Debt	237	154	68
OPBDIT Margins (%)	8.9	8.2	7.5
Net Profit Margins (%)	3.6	3.1	3.0
Interest cover (times)	3.36	3.16	3.70
NCA / Total Debt (times)	0.35	0.42	0.88
Gearing (times)	0.45	0.33	0.16
Total Debt / PBDIT (times)	1.46	1.21	0.59

Lanco Kondapalli Power Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
12/Jan/2009	A-		A2+	Stable

Company Background:

Lanco Kondapalli Power Pvt Ltd (LKPL) is an independent power producer (IPP) located at Kondapalli Industrial Development Area, near Vijaywada, Andhra Pradesh (AP). LKPL owns a 368 megawatt (MW) natural gas-based combined cycle power plant (Phase I) and a 366 MW gas based power plant (Phase II). The company was promoted by the Lanco group, Eastern Generation Ltd (EGL), UK, Commonwealth Development Corporation (CDC), and Doosan Heavy Engineering, Korea. Phase I was commissioned in October 2000 at a cost of Rs.11 billion and Phase II was commissioned in March 2010 at a cost of Rs. 11.88 billion. Lanco Infratech Ltd ('CRISIL BBB-/Negative/CRISIL A3') holds 59 per cent in LKPL.

LKPL's Phase I sells power to four discoms in AP - Central Power Distribution Company of AP Ltd, Eastern Power Distribution Company of AP Ltd ('CRISIL A-/Negative/CRISIL A2+'), Northern Power Distribution Company of AP Ltd ('CRISIL BBB+/Negative/CRISIL A2'), and Southern Power Distribution Company of AP Ltd ('CRISIL BBB+/Negative/CRISIL A2'). Phase II is structured as a Merchant Power Plant. LKPL is currently implementing a 732-MW Phase III, merchant power project at Kondapalli. This project is a gas-based combined cycle power plant, to be set up at project cost of Rs.26.1 billion. Work on the project commenced in January 2010, and the project implementation is ahead of schedule with a 433-MW open cycle capacity likely to be commissioned in 2011-12 and the combined cycle operations expected to commence around the first quarter of 2012-13. LKPL has not yet obtained fuel linkage for Phase III.

Rating Strengths

- Assured returns, backed by take-or-pay nature of power purchase agreement (PPA) for Phase I
- Increase in capacity under operation due to commercialisation of Phase II
- Fast track implementation of Phase III project, resulting in lower risks associated with execution of the project

Rating Weaknesses

- Uncertainty surrounding availability of fuel linkage for Phase III
- Ongoing debt-funded capital expenditure to impact financial metrics
- Increasing proportion of merchant power in the total power generation mix.

Outlook: Stable

CRISIL believes that LKPL will maintain its revenue growth over the medium term. The 'take-or-pay' nature of LKPL's PPA with the discoms for Phase I provides significant revenue visibility, subject to the plant meeting operating performance requirements. Furthermore, the commissioning of Phase II has led to an increase in cash flows. The outlook may be revised to 'Positive' if LKPL gets adequate supply of natural gas for Phase II and Phase III and it sells power from these two units on a consistent basis at a remunerative tariff. Conversely, the outlook may be revised to 'Negative' if there are delays in obtaining adequate fuel linkage for Phase III, or if there is a sharp decline in gas supplies for Phase II, adversely affecting LKPL's operations.

Key Rating Sensitivity Factors

- Degree of regularity in fuel supply
- Delays in completion of expansion project
- Credit quality of off-takers
- Support extended to group companies

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	15585	10786	12467
OPBDIT	5387	3285	2565
PAT	3210	2120	1248
Tangible Networth	12999	9790	7670
Total Debt	17849	7834	6953

OPBDIT Margins (%)	34.6	30.5	20.6
Net Profit Margins (%)	20.6	19.6	10.0
Interest cover (times)	5.19	42.90	5.70
NCA / Total Debt (times)	0.22	0.37	0.30
Gearing (times)	1.37	0.80	0.91
Total Debt / PBDIT (times)	3.17	2.24	2.57

Laser Shaving (India) Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
8/Nov/2011	A+		A1+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Laser Shaving India Pvt Ltd (LSIPL), Harbanslal Malhotra and Sons Pvt Ltd (HLM) and Malhotra Marketing Pvt Ltd (MMPL). The entities are collectively referred to as the HLM group (part of the larger Malhotra group).

HLM is the flagship company of the Malhotra group. The company is based in Kolkata (West Bengal), was incorporated in 1945. Initially, the company was engaged in manufacturing carbon and hexa blades used for jute cutting and multiple other purposes. Around ten years post commencement of operations, the company started manufacturing stainless steel safety razors and razor blades.

HLM produces double-edged razors under the established brand Topaz. It has capacity to produce around 4500 million blades per annum. HLM also has a cold-rolling unit, with capacity of 3000 tonnes per annum, which it uses for captive consumption.

LSIPL, originally known as Malhotra Shaving Products Pvt Ltd, was formed in 1960 in Hyderabad (Andhra Pradesh). In 2010-11, the name of the company was changed to the current one. LSIPL is manufactures premium twin-track (double- and triple-blade) razors under the brand Laser; it has production capacity of around 2500 million pieces per month.

MMPL acts as the marketing arm of the group for domestic sales. HLM and LSIPL make majority of their domestic sales to MMPL which acts as a trading company further selling to stockists.

Rating Strengths

- Strong financial risk profile
- Strong market position in safety razor blade industry

Rating Weakness

- Limited product diversification and exposure to intense competition

Outlook: Stable

CRISIL believes that the HLM group will maintain its strong business and financial risk profiles, supported by its established brand and market position and strong capital structure. The outlook may be revised to 'Positive' if the group diversifies its product profile, thereby achieving higher than expected revenue growth. Conversely, the outlook may be revised to 'Negative' if the group undertakes larger-than-expected debt-funded capital expenditure (capex) programme, thereby weakening its capital structure, or if it diverts its existing large cash balance to unrelated businesses.

Key Rating Sensitivity Factors

- Future capex and its funding pattern
- Maintenance of market position and operating margin
- Diversification of current cash balance to unrelated activity

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2,867	2,819	2,215
OPBDIT	224	180	172
PAT	121	67	82
Tangible Networth	1,374	1,259	1,198
Total Debt	216	189	375

OPBDIT Margins (%)	7.6	6.2	7.3
Net Profit Margins (%)	4.1	2.3	3.5
Interest cover (times)	11.36	9.16	5.74
NCA / Total Debt (times)	0.93	0.80	0.45
Gearing (times)	0.16	0.15	0.31
Total Debt / PBDIT (times)	0.73	0.73	1.58

LeasePlan India Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A (SO)			Stable
Rating History				
09/Nov/2010	A (SO)	-	-	Stable
11/Nov/2009	A (SO)	-	-	Negative

Company Background:

LeasePlan India Private Limited (LPIL) is a wholly owned subsidiary of LeasePlan Corporation N.V. (LPC; rated 'BBB+/Negative/A-2' by Standard & Poor's [S&P]), which is one of the world's leading vehicle leasing and fleet management services companies. Although 50 per cent of LPC is owned by Volkswagen Bank GmbH (Volkswagen; rated 'A-/Stable/A-2' by S&P), S&P's rating on LPC is based on LPC's standalone credit risk profile. LPC is not a captive subsidiary of Volkswagen because it is operationally independent from Volkswagen and does not share its customer base.

LPC has a presence in 30 countries and manages a total fleet of 1.3 to 1.4 million cars. LPIL was a joint venture between LPC and UK Paints India Pvt Ltd (UK Paints) until January 2009, when LPC acquired UK Paints' stake in LPIL. LPIL began operations in India in 1999 as a non-banking financial company. Over the past few years, the company has gradually exited the financial leasing business, and has engaged in vehicle operating lease and fleet management services. LeasePlan Fleet Management India Pvt Ltd (LPFMI), wholly owned by LPC, is in the business of car rental and is a licensed corporate insurance agency.

The rating on the bank facilities of LPIL reflects the support that LPIL receives from LPC.

Rating Strengths (NA)

Rating Weaknesses (NA)

Outlook:Stable

CRISIL's rating on LPIL is driven by the expectation of support from LPIL's ultimate owner, LPC. The outlook could be revised to 'Positive' in case of an upward revision in S&P's rating, or rating outlook, on LPC and significant improvement in business and financial profile of LPIL. Conversely, the outlook could be revised to 'Negative' in case of a downward revision in S&P's ratings on LPC, and/or diminution in LPIL's strategic importance to LPC, translating into a potential reduction in parent support.

Key Rating Sensitivity Factors

- Extent of managerial, financial, and operational support derived from LPC
- Any change in S&P's view on LPC's credit risk profile

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Total Income	1728	1710	1301
PAT	51	-11	-99
Networth	38	-13	-252
Borrowings	5109	6319	6228

Lee and Muirhead Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A1	Stable
Rating History				
31/Jan/2011	A-		A1	Stable

Company Background:

Lee and Muirhead Pvt Ltd (LNM), a part of the Lemuir group, promoted by the Parikh family, has a strong presence in the domestic logistics industry. Apart from LNM, other group entities include Lemuir Express, Lemuir Secure Logistics Pvt Ltd, and DHL Lemuir Logistics Pvt Ltd, a joint venture between Lemuir group and the DHL group of Germany.

LNM provides project logistics services, such as freight forwarding, customs clearance, and transportation, to companies in the power, capital goods, and engineering sectors. Currently, Mr. Arvind Parikh is the chairman and his son, Mr. Snehal Parikh, is the managing director of the company.

Rating Strengths

- Established presence and long standing experience of the promoters in the industry
- Strong financial risk profile of the company

Rating Weakness

- Business profile linked to risks related to capital expenditure (capex) programs of its customers

Outlook: Stable

CRISIL believes that LNM will benefit over the medium term from the extensive experience of its promoters in the logistics industry and the improving demand outlook for project logistics services, driven by the capex programmes of players in power and other sectors. The outlook may be revised to 'Positive' if LNM generates more-than-expected growth in earnings while maintaining its capital structure and debt protection metrics. Conversely, the outlook may be revised to 'Negative' if the company's business risk profile deteriorates due to decline in its order book position adversely impacting its accruals, leading to deterioration in its financial risk profile.

Key Rating Sensitivity Factors

- Future capex plans and their funding pattern
- Execution risks associated with the projects
- Changes in strategy of Lemuir group pertaining to the business segment

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	264	195	217
OPBDIT	106	8	-15
PAT	52	12	1232
Tangible Networth	615	587	582
Total Debt	1	1	9

OPBDIT Margins (%)	38.5	4.0	-7.0
Net Profit Margins (%)	18.8	5.9	561.2
Interest cover (times)	76.1	14.81	11.95
NCA / Total Debt times)	74.97	37.28	22.76
Gearing (times)	-	-	0.02
Total Debt / PBDIT (times)	0.01	0.02	0.01

Leighton Welspun Contractors Private Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A+		A1	Stable
Rating History				
25/ Oct/2011	A+		A1	Stable; Removed from Rating Watch with Negative Implications
14/ Apr /2011	A+		A1	Placed on Rating Watch with Negative Implications
08/ Sep /2010	A+		A1	Stable
09/ Dec/2008	A+	-	-	Stable

Company Background

Established in 1998, Leighton Welspun Contractors Pvt Ltd (Leighton Welspun) is a subsidiary of Leighton International Ltd (LIL), which is a wholly owned subsidiary of LHL. In 2011, the Welspun group, through its closely held entity, Welspun Infra Projects Pvt Ltd, acquired 35 per cent equity stake in Leighton Welspun. Leighton Welspun undertakes construction contracts in the commercial buildings, oil and gas, and road infrastructure segments. LHL is Australia's largest contracting and project development group, with a strong market position and operational diversity

Rating Strengths

- Strong expectation of support from ultimate parent, LHL
- Healthy order book, resulting in good revenue visibility

Rating Weaknesses

- Susceptibility to intense competition and cyclicality in the engineering, procurement, and construction segment
- Working-capital-intensive operations

Outlook: Stable

CRISIL believes that Leighton Welspun will maintain its business risk profile over the medium term, supported by its healthy order book, and will maintain its competitiveness on the back of support from LHL. The outlook may be revised to 'Positive' in case of significant increase in Leighton Welspun's revenues on sustained basis, and healthy operating profit margin. Conversely, the outlook may be revised to 'Negative' if Leighton Welspun faces delays in executing its projects, there is reduction in parent support, large-scale cancellation of orders, or if there is significant deterioration in the company's capital structure.

Key Rating Sensitivity Factors

- Extent of debt funding for implementation of large projects
- Diminution in support from LHL
- Substantial improvement in operating profile

Financial Performance

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	18275	18271	12653
OPBDIT	3485	2436	573
PAT	1151	1283	162
Tangible Networth	2541	2768	1383
Total Debt	1708	2147	2074

OPBDIT Margins (%)	18.9	13.3	4.5
Net Profit Margins (%)	6.3	7.0	1.3
Interest cover (times)	5.89	4.49	3.28
NCA / Total Debt times)	0.05	0.72	0.22
Gearing (times)	0.67	0.78	1.50
Total Debt / PBDIT (times)	0.57	0.79	2.36

Linc Pen and Plastics Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+^	Stable
Rating History				
22/Dec/2011	A-		A2+	Stable; (Ratings placed under notice of withdrawal except Commercial Paper)
25/Feb/2010	A		A1	Stable
31/Jul/2009	-		A1	-

^under notice of withdrawal for a period of 180 days

Company Background:

Based in Kolkata, Linc Pen and Plastics Ltd (Linc Pens) was incorporated in 1994 by Mr. S M Jalan and was listed on the stock exchanges in 1995. It manufactures and markets stationery products, mainly writing pens, refills, and pencils. It has more than 50 products in its portfolio. The company's manufacturing units are located in Falta and Serakole (West Bengal), and Pilerne (Goa).

Rating Strengths

- Established presence in organised sector of pen industry
- Increasing geographical revenue diversity with focus on exports
- Moderate financial risk profile, which is expected to improve further

Rating Weaknesses

- Exposure to intense competition, especially from unorganised sector
- Vulnerability of profitability margins to volatility in raw material prices

Outlook: Stable

CRISIL believes that Linc Pens will maintain its market position, supported by its strong brand equity, over the medium term. The outlook may be revised to 'Positive' if Linc Pens improves its margins and financial risk profile. Conversely, the outlook may be revised to 'Negative' if the company's financial risk profile deteriorates, most likely because of a significant decline in profitability, increase in working capital requirement, or large, debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Large capex and its funding pattern
- Sustained operating profitability

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2484	2221	1876
OPBDIT	163	165	134
PAT	84	84	50
Tangible Networth	470	414	356
Total Debt	414	209	272

OPBDIT Margins (%)	6.5	7.3	7.0
Net Profit Margins (%)	3.3	3.7	2.6
Interest cover (times)	8.46	9.57	3.10
NCA / Total Debt (times)	0.23	0.42	0.22
Gearing (times)	0.88	0.50	0.76
Total Debt / PBDIT (times)	2.53	1.28	1.86

Lloyd Electric and Engineering Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A+		A1	Negative
Rating History				
22/Dec/2011	A+		A1	Negative
15/Nov/2010	A+		A1	Stable
10/Feb/2009	A+		A1	Negative
02/Dec/2008	A+		A1	Stable
01/Oct/2008			A1	Removed from rating with Developing Implications
19/May/2008			A1	Placed on Rating watch with Developing Implications
17/Jan/2007			A1	-

Company Background:

Set up in 1987, Lloyd Electric and Engineering Limited (Lloyd Electric) manufactures and supplies evaporator and condenser coils to original equipment manufacturers (OEMs) of air conditioners (ACs). Lloyd Electric was formed as a backward-integration step to meet the requirements of its associate - Fedders Lloyd Corporation Ltd. ('CRISIL A/Stable/CRISIL A1').

Lloyd Electric has five manufacturing units: one each in Bhiwadi (Rajasthan), Kala-Amb (Himachal Pradesh), Dehradun and Pantnagar (both in Uttarakhand), and in Ranipet (Tamil Nadu). It is the largest heat-exchange coil manufacturer in India. Its eight manufacturing lines have a combined capacity of 1.23 million coil units and 0.6 million AC units per annum. In May 2008, Lloyd Electric acquired Luvata Czech s.r.o (Luvata Czech), a Prague-based manufacturer of customised finned-pack heat exchangers) for €14.85 million. In October 2009, Lloyd Electric also acquired Janka Radotin a.s., (Janka Radotin) a Czech-Republic-based manufacturer of various types of air-handling products for €3.66 million.

Rating Strengths

- Established presence in heat exchanger coil manufacturing segment
- Above average financial risk profile

Rating Weaknesses

- Susceptibility of operating profitability to input price fluctuations
- Exposure to group companies

Outlook: Negative

CRISIL believes that Lloyd Electric's debt protection metrics will deteriorate over the medium term because of increase in debt levels, resulting from increasing working capital intensity and debt-funded capital expenditure (capex), despite sustenance of business risk profile. The ratings may be downgraded if improvement in the company's operating profit arising out of new businesses is lower than expected, there is deterioration in Lloyd Electric's working capital efficiencies, or if the company undertakes larger-than-expected, debt-funded capex programmes or acquisitions, leading to deterioration in its financial risk profile. Conversely, the outlook may be revised to 'Stable' if Lloyd Electric's debt protection metrics and capital structure improve considerably, along with sustenance of the company's business risk profile.

Key Rating Sensitivity Factors

- Large debt-funded capex or acquisitions
- Increased competition in global coil manufacturing component market
- Fluctuations in foreign exchange rates
- Fluctuation in input prices
- Extent of exposure to affiliate companies

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	8171	7234	6650
OPBDIT	818	592	874
PAT	338	34	440
Tangible Networth	3824	3628	3507
Total Debt	2580	2568	1536
OPBDIT Margins (%)	10.0	8.1	13.1
Net Profit Margins (%)	4.1	0.5	6.6
Interest cover (times)	4.31	2.80	4.84
NCA / Total Debt (times)	0.19	0.08	0.32
Gearing (times)	0.67	0.71	0.44
Total Debt / PBDIT (times)	3.09	5.29	1.98

LMMF's Dinanath Mangeshkar Hospital

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
27/ May/2011	A	-	-	Stable

Company Background

Lata Mangeshkar Medical Foundation (LMMF) was set up in 1988 as a trust by renowned vocalist, Ms. Lata Mangeshkar and her family members. The trust runs a 415 bed super speciality hospital at Pune under the name of Dinanath Mangeshkar Hospital (DMH). The hospital provides secondary and tertiary medical and attracts patients mainly from Pune and other surrounding regions. LMMF's trustees comprise members of the Mangeshkar family and four doctors from the Pune based Jnana Prabodhini Medical Trust (JPMT). Dr. Dhananjay Kelkar, a founding trustee of JPMT, is the medical director of DMH and oversees its day to day operations.

Rating Strengths

- Established position in Pune's healthcare market on the back of professional management and operational capabilities.
- Healthy financial risk profile marked by strong net worth, low gearing and robust debt protection metrics

Rating Weakness

- Susceptibility to risks associated with the ongoing expansion project

Outlook: Stable

CRISIL believes that the DMH will continue to benefit from its established position in and around Pune and strong background of its promoters coupled with its ability to generate healthy revenues and accruals, over the medium term. The outlook may be revised to 'Positive' if LMMF is able to complete and operationalise its project as per schedule without cost overruns, and demonstrates healthy utilization levels in respect of the additional bed capacity created. Conversely, the outlook may be revised to 'Negative' if the trust faces challenges in timely implementation of the project thereby affecting its revenue profile and debt servicing metrics.

Key Rating Sensitivity Factors

- Future capital expenditure and its funding pattern
- Cost over-runs and delays in implementation of new project
- Offtake levels and subsequent utilisation of expanded capacities

Financial Performance

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1528	1254	1093
OPBDIT	283	238	205
PAT	222	176	10
Tangible Networth	914	675	485
Total Debt	217	153	105

OPBDIT Margins (%)	17.5	18.0	18.0
Net Profit Margins (%)	13.7	13.3	0.9
Interest cover (times)	48.46	50.14	52.10
NCA / Total Debt (times)	1.34	1.57	1.98
Gearing (times)	0.24	0.23	0.22
Total Debt / PBDIT (times)	0.73	0.62	0.50

Lokmat Media Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Positive
Rating History				
08/ Oct/2010	A+	-	A1+	Positive
09/ Nov/2009	A+	-	A1+	Stable

Company Background

Lokmat Media Pvt Ltd (LMPL) is a Maharashtra-based publishing house that publishes newspapers in Marathi, Hindi, and English. Lokmat newspaper was founded by Loknayak Bapuji Aney, a freedom fighter, in 1918 as a weekly. In 1951, the newspaper was taken over by the late Jawaharlal Darda (father of present promoters) and till 1971, it was published as a weekly/biweekly newspaper from Yavatmal (Maharashtra). In 1971, it started its daily edition from Nagpur and since then has expanded to 12 printing centres, publishing 11 Lokmat editions, 4 Lokmat Samachar editions and 2 Lokmat Times editions all over Maharashtra and Goa.

The company has 11 printing centres, publishing 52 editions of Lokmat in Marathi, having a pan-Maharashtra presence. The company also publishes a Hindi daily, Lokmat Samachar, with four editions, one each from Nagpur, Aurangabad, Akola, and Kohlapur (all in Maharashtra); and an English daily, Lokmat Times, with two editions, one each from Nagpur and Aurangabad. LMPL launched a premier lifestyle magazine, G-2 The Global Gujarati, in December 2006. In 2007-08, the company set up an equal joint venture with the Network 18 group and launched a Marathi news channel, IBN–Lokmat.

Rating Strengths

- Leadership position of Lokmat, the company's flagship Marathi daily, in Maharashtra
- Strong financial risk profile

Rating Weaknesses

- Limited size of Marathi newspaper market, and high geographic concentration
- Susceptibility of margins to economic cycles and fluctuations in newsprint prices

Outlook: Positive

CRISIL believes that LMPL will benefit over the medium term from the healthy market position of its flagship Marathi daily, Lokmat, in Maharashtra. The rating may be upgraded if LMPL improves its business risk profile through revenue diversification, while maintaining its financial risk profile. Conversely, the outlook may be revised to 'Stable' if the company undertakes any large debt-funded capital expenditure programme or acquisition, leading to weakening in its financial risk profile.

Key Rating Sensitivity Factors

- Funding mix of inorganic growth plans, new edition launches, and diversification into other line of businesses, such as movie production and outdoor media
- Newsprint price movements

Financial Performance

Rs. Million	31-May-11	31-May-10	31-May-09
Net Sales	4425	3822	3349
OPBDIT	923	1030	630
PAT	468	589	191
Tangible Networth	2568	2159	1348
Total Debt	743	308	605
OPBDIT Margins (%)	20.3	26.2	18.8
Net Profit Margins (%)	10.3	13.8	5.7
Interest cover (times)	19.83	34.54	6.33
NCA / Total Debt (times)	0.88	1.67	0.35
Gearing (times)	0.29	0.14	0.45
Total Debt / PBDIT (times)	0.81	0.26	0.97

Ludhiana Beverages Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
10/Oct/2008	A		A1	Stable

Company Background:

Ludhiana Beverages Private Limited (LBPL) is a franchisee bottler for Coca-Cola India Pvt Ltd (Coca-Cola India) and manufactures and distributes sweetened aerated water (soft drinks), non-sweetened aerated water (soda), and packaged drinking water. LBPL is owned by the Ludhiana-based Goenka family, and is the bottling and distribution franchisee of Coca-Cola India for Ludhiana, Jalandhar, Hoshiarpur, Nawanshahr, Moga, Sangrur, and Phagwara tehsil of Kapurthala district (all in Punjab). The promoters formed a partnership firm, Ludhiana Bottling Company (LBC), in 1970, to undertake bottling operations for Parle India. In 1993, Coca-Cola India acquired the brands of Parle India, and thereafter, LBC's partners established LBPL for undertaking bottling operations for Coca-Cola India. LBPL has two manufacturing plants in Ludhiana. One plant manufactures carbonated drinks (Coca-Cola, Limca, Thums-up, Sprite, and Kinley soda), and non-aerated drinks such as Maaza; the other plant manufactures packaged drinking water (Kinley).

Rating Strengths

- Healthy financial risk profile with low gearing and strong debt protection measures
- Exclusive franchisee agreement for defined territory with Coca-Cola India, providing stability to revenues and profitability

Rating Weaknesses

- Vulnerability to government regulations regarding soft drinks
- Moderate operating efficiencies on account of presence only in returnable glass bottle (RGB) category, and seasonal nature of business
- Limited avenues for revenue growth because of geographical restrictions

Outlook: Stable

CRISIL believes that LBPL will continue to benefit from its exclusive franchisee agreement with Coca-Cola India. The outlook may be revised to 'Positive' if LBPL diversifies its product profile or expands its franchisee territory significantly, while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' if regulatory issues adversely affect LBPL's sales, or if the company contracts larger-than-expected debt to fund capital expenditure (capex).

Key Rating Sensitivity Factors

- Renewal of franchisee agreement with Coca-Cola India
- Any regulatory issue
- Future capex including that in unrelated areas

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2369	1528	865
OPBDIT	269	218	236
PAT	93	-22	144
Tangible Networth	495	403	425
Total Debt	324	285	192
OPBDIT Margins (%)	11.0	13.7	25.2
Net Profit Margins (%)	3.8	-1.4	15.4
Interest cover (times)	10.5	10.6	16.6
NCA / Total Debt (times)	0.62	0.15	1.03
Gearing (times)	0.65	0.71	0.45
Total Debt / PBDIT (times)	1.17	2.62	0.68

Lumax Auto Technologies Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
04/Feb/2011	A		A1	Stable
19/Feb/2010	A-		A2+	Stable

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Lumax Auto Technologies Ltd (LATL), and LATL's wholly owned subsidiary, Lumax DK Auto Industries Ltd (LDK), together referred to as the Lumax group.

LATL, incorporated in 1981, is part of the DK Jain group of companies. The company was initially incorporated as Lumax Auto Electricals Pvt Ltd, which was changed to Dhanesh Auto Electricals Pvt Ltd in 1988, Dhanesh Auto Electricals Ltd in 1998, and LATL in 2006. LATL has two main divisions: manufacturing and trading. The manufacturing division produces chassis and head lamp assemblies for Bajaj Auto Ltd (BAL, rated 'CRISIL AAA/FAAA/Stable/CRISIL A1+'). The trading division caters to the replacement market for head and tail lamp assemblies and miscellaneous products manufactured by Lumax Industries Ltd (LIL), a DK Jain group company. The company has recently also begun trading in motor adjusters to be used in four-wheeler front lamp assemblies, an activity that was hitherto conducted by LDK. LATL acquired a 100 per cent stake in LDK from the promoters in 2005-06 for Rs.12.7 million. LDK, a wholly owned subsidiary of LATL, manufactures automobile components including gear shifter assemblies, head and tail lamp assemblies, and parking brakes.

Rating Strengths

- Comfortable financial risk profile
- Established position in market for automobile illumination products, with established relationships with key customers

Rating Weaknesses

- Exposure to risks relating to customer concentration in revenue profile
- Vulnerability to volatile raw material prices

Outlook: Stable

CRISIL believes that the Lumax group will continue to maintain a healthy capital structure and an established business risk profile, backed by its long relationship with its key customers, over the medium term. The outlook may be revised to 'Positive' if the Lumax group maintains its strong growth in operating income and the improvement in LATL's manufacturing segment profitability. Conversely, the outlook may be revised to 'Negative' if the Lumax group faces any pressure on topline or margins because of a slowdown in the end-user industry, or any unexpected change in procurement strategy by key customers, resulting in sub-optimal capacity utilisation and pressure on operating margin.

Key Rating Sensitivity Factors

- Improvement in scale of operations, and diversification in customer and product base
- Capital expenditure plans, and their funding
- Operating income growth and improvement in profitability

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	4169	2963	2912
OPBDIT	365	232	242
PAT	232	113	114
Tangible Networth	816	637	542
Total Debt	70	226	257

OPBDIT Margins (%)	8.7	7.8	8.3
Net Profit Margins (%)	5.5	3.8	3.9
Interest cover (times)	19.94	8.49	10.05
NCA / Total Debt (times)	3.39	0.61	0.53
Gearing (times)	0.09	0.35	0.47
Total Debt / PBDIT (times)	0.19	0.96	1.07

Lumax DK Auto Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
04/Feb/2011	A		A1	Stable
19/Feb/2010	A-		A2+	Stable

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Lumax Auto Technologies Ltd (LATL), and LATL's wholly owned subsidiary, Lumax DK Auto Industries Ltd (LDK), together referred to as the Lumax group.

LATL, incorporated in 1981, is part of the DK Jain group of companies. The company was initially incorporated as Lumax Auto Electricals Pvt Ltd, which was changed to Dhanesh Auto Electricals Pvt Ltd in 1988, Dhanesh Auto Electricals Ltd in 1998, and LATL in 2006. LATL has two main divisions: manufacturing and trading. The manufacturing division produces chassis and head lamp assemblies for Bajaj Auto Ltd (BAL, rated 'CRISIL AAA/FAAA/Stable/CRISIL A1+'). The trading division caters to the replacement market for head and tail lamp assemblies and miscellaneous products manufactured by Lumax Industries Ltd (LIL), a DK Jain group company. The company has recently also begun trading in motor adjusters to be used in four-wheeler front lamp assemblies, an activity that was hitherto conducted by LDK. LATL acquired a 100 per cent stake in LDK from the promoters in 2005-06 for Rs.12.7 million. LDK, a wholly owned subsidiary of LATL, manufactures automobile components including gear shifter assemblies, head and tail lamp assemblies, and parking brakes.

Rating Strengths

- Comfortable financial risk profile
- Established position in market for automobile illumination products, with established relationships with key customers

Rating Weaknesses

- Exposure to risks relating to customer concentration in revenue profile
- Vulnerability to volatile raw material prices

Outlook: Stable

CRISIL believes that the Lumax group will continue to maintain a healthy capital structure and an established business risk profile, backed by its long relationship with its key customers, over the medium term. The outlook may be revised to 'Positive' if the Lumax group maintains its strong growth in operating income and the improvement in LATL's manufacturing segment profitability. Conversely, the outlook may be revised to 'Negative' if the Lumax group faces any pressure on topline or margins because of a slowdown in the end-user industry, or any unexpected change in procurement strategy by key customers, resulting in sub-optimal capacity utilisation and pressure on operating margin.

Key Rating Sensitivity Factors

- Improvement in scale of operations, and diversification in customer and product base
- Capital expenditure plans, and their funding
- Operating income growth and improvement in profitability

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	4169	2963	2912
OPBDIT	365	232	242
PAT	232	113	114
Tangible Networth	816	637	542
Total Debt	70	226	257

OPBDIT Margins (%)	8.7	7.8	8.3
Net Profit Margins (%)	5.5	3.8	3.9
Interest cover (times)	19.9	8.49	10.05
NCA / Total Debt (times)	3.39	0.61	0.53
Gearing (times)	0.09	0.35	0.47
Total Debt / PBDIT (times)	0.19	0.96	1.07

Luminous Power Technologies Private Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A+		A1	Positive
Rating History				
01/Nov/2011	A+		A1	Positive; Removed from Rating watch with Positive Implications
06/Jun/2011	A+		A1	Placed on Rating watch with Positive Implications
27/Oct/2010	A+		A1	Positive
22/Apr/2009	A+		A1	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Luminous Power Technologies Private Limited (LPT), its subsidiaries, Luminous Renewable Energy Solutions Pvt. Ltd. (LRESPL, formally known as UD Energy Systems Pvt. Ltd.), Tritronics India Pvt. Ltd., and Lang Ming Power Technologies (Shenzhen) Ltd (LMPT), and its group company, Luminous Teleinfra Ltd (LTI, rated CRISIL A-/Positive/CRISIL A2+'), collectively referred to as the Luminous group. LPT was incorporated by Mr. Rakesh Malhotra, Mr. Navneet Kapoor, and Mr. Sunil Bhalla in 1988. LPT is one of the leading manufacturers of inverters, uninterrupted power supply (UPS) systems, and batteries. LTI manufactures a variety of passive telecommunication infrastructure components, including telecommunication batteries, power interface units, power distribution management units, power management and backup units, and switch-mode rectifiers. Its facility is in Una (Himachal Pradesh). In June 2011, France-based Schneider Electric S.A. (Schneider), through its wholly owned subsidiary, Schneider Electric South East Asia (HQ) Pte Ltd, bought 74 per cent of LPT's equity shares. The acquisition deal includes LPT and its three subsidiaries – LTI, LRESPL and LMPT.

Rating Strengths

- Healthy financial risk profile driven by healthy capital structure and strong debt protection measures
- Established market position in inverter segment with above average operating efficiency

Rating Weaknesses

- Vulnerability of operating margin to volatility in input costs
- Large working capital requirements

Outlook: Positive

CRISIL believes that the Luminous group's credit risk profile will improve over the medium term, driven by increased financial flexibility as a result of acquisition of majority equity stake in LPT by Schneider. The group's financial risk profile is expected to remain healthy, supported by its large net worth and healthy cash accruals resulting from its established market and brand position in the inverter segment. The ratings may be upgraded if the Luminous group derives strong benefits from its joint venture with Schneider, leading to higher-than-expected growth in its revenues and profitability, or if the group's financial flexibility improves further, most likely driven by financial support from Schneider. Conversely, the outlook may be revised to 'Stable' if there is lower-than-expected growth in LPT's revenues and profitability or if its capital structure weakens because of larger-than-expected debt-funded capital expenditure (capex) over the medium term.

Key Rating Sensitivity Factors

- Capex and acquisition plans, and their funding mix
- Working capital management

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	13219	8033	4955
OPBDIT	1262	695	574
PAT	762	533	391
Tangible Networth	2598	2351	1926
Total Debt	2936	1224	777

OPBDIT Margins (%)	9.5	8.6	11.5
Net Profit Margins (%)	5.7	6.6	7.8
Interest cover (times)	4.80	5.95	4.42
NCA / Total Debt (times)	0.25	0.38	0.39
Gearing (times)	1.13	0.52	0.40
Total Debt / PBDIT (times)	2.33	1.76	1.37

Luminous Teleinfra Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A-		A2+	Positive
Rating History				
01/Nov/2011	A-		A2+	Positive; removed from Rating watch with Positive Implications
06/Jun/2011	A-		P2+	Placed on Rating watch with Positive Implications
27/Oct/2010	A-		P2+	Positive

Company Background:

Luminous Teleinfra Limited (LTI) was promoted by Mr. Rakesh Malhotra and Mr. Navneet Kapoor (also the promoters of Luminous Power Technologies Pvt Ltd (LPT; rated 'CRISIL A+/Positive/CRISIL A1') in 2008. LTI has set up integrated facilities in Una (Himachal Pradesh) for the manufacture of a variety of passive telecom infrastructure components. The components include telecom batteries, power interface units, power distribution management units, power management and backup units, and switch-mode rectifiers. LPT owns 100 per cent stake in LTI.

LPT was incorporated in 1988 and is one of the leading manufacturers of inverters, uninterrupted power supply (UPS) systems, and batteries. LTI manufactures a variety of passive telecommunication infrastructure components, including telecommunication batteries, power interface units, power distribution management units, power management and backup units, and switch-mode rectifiers. In June 2011, France-based Schneider Electric S.A. (Schneider), through its wholly owned subsidiary, Schneider Electric South East Asia (HQ) Pte Ltd, bought 74 per cent of LPT's equity shares. The acquisition deal includes LPT and its three subsidiaries – LTI, Luminous Renewable Energy Solutions Pvt. Ltd. (LRESPL), Tritronics India Pvt. Ltd., and Lang Ming Power Technologies (Shenzhen) Ltd (LMPT).

Rating Strengths

- Strong financial and operational support from LPT
- Moderate operating efficiencies

Rating Weaknesses

- Weak financial risk profile due to large, debt-funded project and depressed revenues and cash accruals
- Start-up nature of operations and slowdown in demand from telecommunications (telecom) sector

Outlook:Positive

CRISIL believes that LTI will continue to receive strong support from LPT. The ratings may be upgraded if there is an upgrade in the rating on LPT's bank facilities or an improvement in LTI's financial risk profile, driven by a significant increase in revenues and cash accruals. Conversely, the outlook may be revised to 'Stable' if there is a similar revision in the rating outlook on LPT's facilities or if LTI significantly delays in increasing its revenues and cash accruals.

Key Rating Sensitivity Factors

- Support from LPT
- Credit profile of LPT
- Increase in revenue and profitability
- Working capital management
- Capital expenditure and its funding

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	13219	8033	4955
OPBDIT	1262	695	574
PAT	762	533	391
Tangible Networth	2598	2351	1926
Total Debt	2936	1224	777
OPBDIT Margins (%)	9.5	8.6	11.5
Net Profit Margins (%)	5.7	6.6	7.8
Interest cover (times)	4.80	5.95	4.42
NCA / Total Debt (times)	0.25	0.38	0.39
Gearing (times)	1.13	0.52	0.40
Total Debt / PBDIT (times)	2.33	1.76	1.37

MK Agrotech Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A1	Stable
Rating History				
09/Nov/2009	A-	-	A1	Stable

Company Background

Set up in 1995 by Mr. Subhan Khan, MK Agrotech Pvt Ltd (MK Agro) is a closely held private limited company, which manufactures sunflower edible oil under the brand, 'Sunpure', mainly sold in Karnataka. The company's operations are integrated with solvent extraction capacity of 500 tons per day (tpd) and refining capacity of 500 tpd in Srirangapatna, Karnataka, which was increased by 350 tpd in 2011-12. MK Agro has set up a 350 tpd soya solvent extraction plant in Challekere, Karnataka.

Rating Strengths

- Established brand in edible oil industry and healthy operating efficiency
- Healthy financial risk profile

Rating Weaknesses

- Product and geographic concentration in revenue profile
- Exposure to pricing pressures because of volatility in raw material prices and intense competition in edible oil industry

Outlook: Stable

CRISIL believes that MK Agro will maintain a stable credit risk profile, on the back of its established brand presence and a healthy financial risk profile. The outlook may be revised to 'Positive' if the company's revenues and profitability improve significantly, led by product and geographic diversity post stabilization of ongoing capital expenditure (capex) together with sustenance in its capital structure. Conversely, the outlook may be revised to 'Negative' if the company's margins decline sharply, or if the company takes up unrelated diversifications or large debt-funded capex, impacting its capital structure and cash flows.

Key Rating Sensitivity Factors

- Import management and hedging policy
- Sustenance of profitability in branded edible oil segment
- Extent and funding of future capex
- Government policies and regulations.
- Deterioration in strong liquidity position

Financial Performance

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	5,393	3,179	3,506
OPBDIT	478	334	250
PAT	325	244	149
Tangible Networth	1,192	866	623
Total Debt	3,880	983	329
OPBDIT Margins (%)	8.8	10.5	7.1
Net Profit Margins (%)	6.0	7.6	4.2
Interest cover (times)	9.98	14.67	20.62
NCA / Total Debt times)	0.09	0.28	0.53
Gearing (times)	3.26	1.14	0.53
Total Debt / PBDIT (times)	6.78	2.30	1.24

M R T Signals Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
26/Feb/2010	A-		A2+	Stable

Company Background:

Incorporated in 2006 by Mr. Mahendra Kumar Anchalia, M R T Signals Ltd (MRT) carries out signalling and telecommunication work for the Railways. The promoters earlier undertook similar work in a proprietary firm, MR Trading Co, which was set up in 1983 and converted into a partnership firm in 2004. In 2006, the business of the partnership firm was taken over by MRT.

The range of work undertaken by MRT has varied from orthodox mechanical signalling systems to modern signalling systems, which include panel interlocking, route relay interlocking and the latest solid state/electronic interlocking.

Ansaldo STS (Ansaldo) of Italy, an established player in the railway signalling and telecommunication market globally, has been the technology partner of the company for over a decade. MRT also has a tie-up with Central Electronics Ltd (CEL) to market its digital axle counters in India.

Rating Strengths

- Long association with key vendors leading to healthy business profile
- Healthy financial risk profile marked by sound debt protection indicators

Rating Weaknesses

- Working capital intensive nature of operations
- High customer and supplier concentration

Outlook: Stable

CRISIL believes that MRT will maintain its moderate business profile, backed by the experience of the promoters in the railway signaling system industry, coupled with its exclusive tie-up for technology with global railway signaling system major, Ansaldo and its association with CEL. The outlook may be revised to 'Positive' if MRT is able to significantly scale up its operations while improving its profitability, primarily by executing technologically advanced projects. Conversely, the outlook may be revised to 'Negative' in case its working capital cycle stretches further or in case of lower allocation by Indian Railways for signalling systems, resulting in pressure on MRT's revenues.

Key Rating Sensitivity Factor

- Large debt funded capital expenditure

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	757	1072	777
OPBDIT	15	25	13
PAT	12	15	9
Tangible Networth	677	564	372
Total Debt	8	2	66

OPBDIT Margins (%)	2.0	2.3	1.7
Net Profit Margins (%)	1.5	1.4	1.1
Interest cover (times)	5.91	6.97	6.09
NCA / Total Debt (times)	1.57	8.75	0.14
Gearing (times)	0.01	-	0.18
Total Debt / PBDIT (times)	0.37	0.07	3.86

M Suresh Company Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
31/May/2011	A-	-		Stable
06/Apr/2009	-	-	A2	-
31/Aug/2008	-	-	A2+	-

Company Background:

For arriving at its rating, CRISIL has combined the business and financial risk profiles of M Suresh Company Private Limited (MSCPL), M Suresh Jewellery Pvt Ltd (MSJPL), and Adinath Jewellery Exports (Adinath), together referred to as the M Suresh group.

MSCPL was incorporated in 1968. The company is in the business of diamond trading and processing. It was conferred Diamond Trading Company's (DTC's) sightholder status in 1993. MSJPL exports diamond jewellery, primarily to the US. The company started operations in 2004, with a manufacturing unit in Santacruz Electronics Export Processing Zone (SEEPZ), Mumbai. Adinath, a partnership firm, commenced operations in December 2009, and is in the business of exporting diamond-studded jewellery, primarily to the US.

Rating Strengths

- Sound operational efficiencies, supported by assured supply of rough diamonds and established presence in key diamond markets
- Healthy financial risk profile

Rating Weaknesses

- Working-capital-intensive operations
- Deployment of surplus funds in non-core businesses

Outlook: Stable

CRISIL believes that the M Suresh group will maintain its business risk profile, supported by sound operational efficiencies, and its financial risk profile, supported by healthy profitability in the jewellery business. The outlook may be revised to 'Positive' in case of improvement in the group's working capital cycle. Conversely, the outlook may be revised to 'Negative' if there is a significant decline in the group's profitability, resulting in weakening in its debt protection metrics.

Key Rating Sensitivity Factors

- Amount and funding mix of future capital expenditure
- Stability of operating margin

Financial Performance (Not Published)

M. Suresh Jewellery Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
31/May/2011	A-	-		Stable
06/Apr/2009	-	-	A2	-
31/Aug/2008	-	-	A2+	-

Company Background:

For arriving at its rating, CRISIL has combined the business and financial risk profiles of M Suresh Company Private Limited (MSCPL), M Suresh Jewellery Pvt Ltd (MSJPL), and Adinath Jewellery Exports (Adinath), together referred to as the M Suresh group.

MSCPL was incorporated in 1968. The company is in the business of diamond trading and processing. It was conferred Diamond Trading Company's (DTC's) sightholder status in 1993. MSJPL exports diamond jewellery, primarily to the US. The company started operations in 2004, with a manufacturing unit in Santacruz Electronics Export Processing Zone (SEEPZ), Mumbai. Adinath, a partnership firm, commenced operations in December 2009, and is in the business of exporting diamond-studded jewellery, primarily to the US.

Rating Strengths

- Sound operational efficiencies, supported by assured supply of rough diamonds and established presence in key diamond markets
- Healthy financial risk profile

Rating Weaknesses

- Working-capital-intensive operations
- Deployment of surplus funds in non-core businesses

Outlook: Stable

CRISIL believes that the M Suresh group will maintain its business risk profile, supported by sound operational efficiencies, and its financial risk profile, supported by healthy profitability in the jewellery business. The outlook may be revised to 'Positive' in case of improvement in the group's working capital cycle. Conversely, the outlook may be revised to 'Negative' if there is a significant decline in the group's profitability, resulting in weakening in its debt protection metrics.

Key Rating Sensitivity Factors

- Amount and funding mix of future capital expenditure
- Stability of operating margin

Financial Performance (Not published)

Macawber Beekay Private Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
11/Aug/2010	A-		A2+	Stable
31/Dec/2008	BBB+		A2	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Macawber Beekay Pvt Ltd (MBPL), and its parent, BSBK Engineers Pvt Ltd (BSBK; holds 60 per cent stake in MBPL). Also, the business and financial risk profiles of another group entity, BSBK AKG India Ltd (BSBK AKG), has been combined. The entities are collectively referred to as the Beekay group.

BSBK, established in 1918, was initially engaged in the civil engineering and civil works business. In 1984, it entered into a 60:40 joint venture (JV) with Macawber Engineering Ltd (Macawber) to set up MBPL. The JV was set up in collaboration with Clyde Bergemann Materials Handling Ltd of UK (formerly Simon-Macawber Limited), the world leader in dense phase pneumatic transfer of bulk materials. MBPL's unique dense phase pneumatic conveying system offers bulk material handling solutions to the core sectors such as power, cement, steel, and chemicals. It also undertakes ash handling systems for various thermal power plants in the country. BSBK and MBPL offer end-to-end customised material handling (mainly ash handling) solutions which involve design, engineering, manufacture, supply, erection and commissioning of material handling equipment (MHE). The company makes some of the components at its in-house fabrication unit. All the projects under the dense phase ash material handling technology are executed by MBPL while the projects involving wet disposal of ash are taken up by BSBK.

Rating Strengths

- Established presence in the MHE industry with healthy growth prospects
- Comfortable financial risk profile

Rating Weaknesses

- Working capital intensive industry
- Vulnerability of margins to fluctuations in raw material prices

Outlook: Stable

CRISIL believes that the Beekay group will benefit from its established position in the ash handling systems industry, and maintain its healthy financial risk profile, despite capital expenditure (capex) plans and working capital requirements, driven by healthy cash accruals, over the medium term. The outlook may be revised to 'Positive' if the group substantially scales up its operations by way of further diversification to newer businesses such as coal handling and balance of plant, while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' in case the group faces pressures on its profitability and the increase in its scale of operations is less than expected, leading to less-than-expected cash accruals, if its working capital requirements are more than expected, or if it undertakes any larger-than-expected debt-funded capex programmes and acquisitions, resulting in significant deterioration in its liquidity and capital structure.

Key Rating Sensitivity Factors

- Working capital management
- Future capex plans and their funding pattern
- Exposure to group companies

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	5383	5203	3020
OPBDIT	540	479	256
PAT	227	197	96
Tangible Networth	1051	824	285
Total Debt	1157	1083	736
OPBDIT Margins (%)	10.0	9.2	8.5
Net Profit Margins (%)	4.2	3.8	3.2
Interest cover (times)	3.36	3.08	2.86
NCA / Total Debt (times)	0.25	0.22	0.17
Gearing (times)	1.10	1.31	2.58
Total Debt / PBDIT (times)	2.00	2.08	2.60

Maharashtra Oil Extractions Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
06/Nov/2009	A-	-	-	Stable

Company Background

Maharashtra Oil Extractions Pvt Ltd (MOEPL), incorporated in 1999, is engaged in extraction, refining, and sale of soya oil and soya de-oiled cake (DOC). The company is in Dhule (Maharashtra; located 340 kilometres [km] away from Mumbai) and has crushing plants at Dhule and Nandurbar (Maharashtra; 424 km from Mumbai) and a refining plant at Dhule. MOEPL was set up by the Dhule-based Agarwal family, which has been in the oil extraction businesses since late 1950s. The business is now being handled by the third generation of the Agarwal family. The company has a seed processing capacity of around 750 tonnes per day (tpd) and a refining capacity of around 220 tpd.

Rating Strengths

- Established market position in soya industry
- Healthy financial risk profile

Rating Weaknesses

- Limited pricing flexibility and susceptibility to volatility in soya prices
- Susceptibility to adverse regulatory changes

Outlook: Stable

CRISIL believes that MOEPL will maintain its established position in the soya oil industry over the medium term, backed by its healthy operating efficiencies and its promoter's extensive industry experience. The outlook may be revised to 'Positive' in case there is a significant and sustained improvement in MOEPL's revenues and profitability margins from the current levels. Conversely, the outlook may be revised to 'Negative' if MOEPL's profitability margins remain muted at the current levels, or there is deterioration in the company's financial risk because of larger-than-expected working capital requirements.

Key Rating Sensitivity Factors

- Maintenance of profitability, amid volatile raw material prices
- Working capital management
- Capital expenditure and its funding pattern

Financial Performance

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	3,022	3,077	2,935
OPBDIT	145	57	243
PAT	48	13	152
Tangible Networth	521	474	461
Total Debt	650	374	580

OPBDIT Margins (%)	4.8	1.8	8.3
Net Profit Margins (%)	1.6	0.4	5.2
Interest cover (times)	3.35	2.26	16.35
NCA / Total Debt (times)	0.13	0.10	0.28
Gearing (times)	1.25	0.79	1.26
Total Debt / PBDIT (times)	3.91	4.62	2.46

Maharishi Siksha Sansthan

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
05/Sep/2011	A-	-	-	Stable

Company Background:

Maharishi Siksha Sansthan (MSS) was established in 1992 in Delhi. The society was formed under the guidance and inspiration of Maharishi Mahesh Yogi, with the primary purpose of providing education to children across India and promoting Vedic/Indian culture. The society currently operates 147 schools and 2 colleges in India. For the academic year 2010-11, the society has about 85,000 students.

MSS started with about 250 schools across the country, most of which were operated from rented premises. Over the years till 2000, the society closed down a number of these schools because of the losses it was incurring in operating them. Also, the society closed the schools operated from rented premises because it planned to run its schools in affiliation to the Central Board of Secondary Education (CBSE), which mandates ownership of infrastructure for affiliation. Currently, MSS operates about 147 schools in owned premises.

Rating Strengths

- Healthy financial risk profile
- Established and recognised education society
- Healthy demand prospects for education industry

Rating Weakness

- Exposure to regulatory risks associated with educational institutions

Outlook: Stable

CRISIL believes that MSS will maintain its healthy financial risk profile over the medium term, despite its large capex plans, supported by its expected healthy cash accruals. The outlook may be revised to 'Positive' if MSS reports more-than-expected cash accruals, most likely driven by increased enrolments for the society's institutes' ongoing and proposed courses. Conversely, the outlook may be revised to 'Negative' in case of pressure on MSS's liquidity, most likely caused by any significant pressure on cash accruals amid large capital expenditure (capex) plans.

Key Rating Sensitivity Factors

- Continuous accreditation by CBSE and state education boards
- Change in legal/regulatory guidelines for educational institutions
- Future capex plans and their funding mix

Financial Performance

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	750	642	554
OPBDIT	276	198	146
PAT	199	127	77
Tangible Networth	1,394	1,196	1,069
Total Debt	148	111	76

OPBDIT Margins (%)	30.4	25.6	21.8
Net Profit Margins (%)	21.9	16.4	11.5
Interest cover (times)	18.21	14.59	13.23
NCA / Total Debt (times)	1.85	1.77	1.86
Gearing (times)	0.11	0.09	0.07
Total Debt / PBDIT (times)	0.51	0.53	0.50

Mahindra Gears and Transmissions Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
11/Aug/2011	A+		A1	Stable

Company Background:

Mahindra Gears and Transmissions Private Limited (MGTPL), part of the Mahindra group, manufactures auto components comprising automobile gears which are used for transmission, engine and differential gear boxes. The company has two manufacturing units, located in Rajkot (Gujarat) and Pune (Maharashtra) having total capacity of around 5.4 million gears per annum.

MGTPL was incorporated in 1987 as SAR Auto Products Pvt Ltd, and was promoted by Mr. Ramesh D Virani and family for manufacturing automotive gears. In January 2005, Mahindra and Mahindra (M&M, rated 'CRISIL AA+/Stable/CRISIL A1+') acquired 51 per cent stake in the company to form Mahindra SAR Transmission Pvt Ltd (a joint venture [JV] between M&M and SAR Auto Products Pvt Ltd). Between 2007 and 2009, M&M acquired entire shareholding of the Virani family to become MGTPL's sole owner. In 2009-10, M&M divested 46.66 per cent stake in MGTPL in favour of ICICI Venture funds. M&M has chalked out huge expansion plans for MGTPL, which will be partially funded through equity. This equity is being infused in tranches by M&M; as a result of this, the shareholding of M&M has been increasing in MGTPL.

Rating Strengths

- Strong financial and operational support from Mahindra group
- Moderate business risk profile
- Moderate financial risk profile

Rating Weaknesses

- Aggressive capital expenditure (capex) plans
- Average operating efficiencies as reflected in limited integration and working–capital- intensive nature of operations

Outlook: Stable

CRISIL believes that MGTPL's business risk profile to gradually improve with the establishment of its heat treatment facilities and expansion in its capacity. Its financial risk profile, however, is expected to remain constrained over the medium term because of its large capex plans. Nonetheless, CRISIL expects support from the Mahindra group to be forthcoming in case of financial exigencies. The outlook may be revised to 'Positive' in case MGTPL reports better-than-expected revenues and profitability, or improves its capital structure through more-than-expected capital infusion. Conversely, the outlook may be revised to 'Negative' in case of lower-than-expected utilisation level at MGTPL's recently set up units adversely affecting its cash flows, or larger-than-expected debt-funded capex.

Key Rating Sensitivity Factors

- Continued support from Mahindra group
- Capex, and financial support to other group ventures

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	900	703	684
OPBDIT	95	93	125
PAT	7	13	26.21
Tangible Networth	373	283	271
Total Debt	367	288	329

OPBDIT Margins (%)	10.5	12.7	17.0
Net Profit Margins (%)	0.8	1.8	3.6
Interest cover (times)	2.96	3.45	3.81
NCA / Total Debt times)	0.15	0.20	0.20
Gearing (times)	0.99	1.02	1.21
Total Debt / PBDIT (times)	3.82	3.12	2.63

Mahindra Rural Housing Finance Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
30/Nov/2011	A+		A1+	Stable
10/Jan/2011	A+	-	-	Stable

Company Background:

Set up as a wholly owned subsidiary of Mahindra & Mahindra Financial Services Ltd (Mahindra Finance; rated 'CRISIL AA+/FAAA/Stable/CRISIL A1+') in April 2007, Mahindra Rural Housing Finance Limited (MRHFL) is one of the pioneers in the rural housing finance business. Mahinda Finance plans to leverage on its understanding and experience of rural markets by providing housing loans to the untapped semi-urban and rural sector through MRHFL. In 2008-09, Mahindra Finance sold a 12.5 per cent stake in MRHFL to National Housing Bank (NHB).

Rating Strengths

- Strong support from parent, Mahindra Finance
- Adequate resource profile and capitalisation

Rating Weaknesses

- Modest scale of operations
- Limited track record in housing finance business
- Largely unseasoned portfolio exposing the company to asset quality risks

Outlook: Stable

CRISIL believes that Mahindra Finance will maintain a majority stake in MRHFL, and that MRHFL will continue to derive operational, managerial, and financial support from its majority owner, Mahindra Finance. The outlook may be revised to 'Positive' if MRHFL significantly improves its market position and earnings profile without compromising on asset quality. Conversely, the outlook may be revised to 'Negative' in case of significant deterioration in the company's asset quality and profitability, change in the ownership structure of, or decline in support from, Mahindra Finance, or in case of a downward revision in CRISIL's view on the outlook of Mahindra Finance.

Key Rating Sensitivity Factors

- Extent of ownership by and managerial, financial, and operational support derived from majority owner, Mahindra Finance.
- CRISIL's view on Mahindra Finance's credit risk profile
- Ability to increase scale of operation while ensuring healthy assets quality.

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Total Income	493	163	48
PAT	89	22	-8
Total Assets	3198	1315	475
Tangible Networth	375	143	123
Total Debt	2633	1125	328
PAT /Ave. Networth (%)	34.2	16.4	-11.6
Gross NPAs (%)	1.6	1.0	-
Capital Adequacy (times)	18.0	17.6	42.9
Gearing (times)	7.0	7.8	2.7

Man Industries (India) Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
29/Feb/2012	A-		A2+	Stable
12/Jul/2011	A		A1	Stable
22/Mar/2011	A		A1	Positive
04/Feb/2010	A		A2+	Stable
12/Aug/2008	A		A2+	Negative
28/Jan/2008	A+		A1	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Man Industries (India) Ltd (MIL) and its subsidiaries: Man Infra Projects Ltd (Man Infra), Merino Shelters Pvt Ltd, and Man Overseas Metal. The entities are collectively referred to as the Man group.

MIL incorporated in 1988, manufactures aluminium extrusion products. The company began operations with a unit in Pithampur (Madhya Pradesh). In 1995, it diversified into manufacturing submerged arc welded (SAW) pipes. In 2005, MIL commissioned an integrated pipe manufacturing and coating complex in Anjar (Gujarat); in 2006, it de-merged the aluminium business into a separate company, Man Aluminium Ltd. In March 2008, MIL bought 55 per cent of Man Infra's equity shares; the stake increased to 100 per cent, after MIL purchased the promoter shareholding in September 2011. Man Infra has plans to develop real estate properties at Vile Parle and Bandra in Mumbai, and in Navi Mumbai.

Man Infra plans to invest about Rs.5.24 billion in the real estate business, and develop total commercial saleable area of 754,294 square feet and residential saleable area of 190,904 square feet.

Rating Strengths

- Healthy demand prospects for SAW pipe industry
- Favourable market position, and sizeable order book

Rating Weaknesses

- Average financial risk profile
- Exposure to real estate industry, and to risks inherent therein
- Working-capital-intensive nature of operations
- Susceptibility to volatility in raw material prices

Outlook: Stable

CRISIL believes that the Man group will continue to benefit over the medium term from its established market position. The outlook may be revised to 'Positive' if the company significantly improves its financial risk profile as a result of significant improvement in its working capital management, leading to reduced working capital borrowings. Conversely, the outlook may be revised to 'Negative' in case the Man group reports more-than-expected deterioration in its capital structure, most likely because of increased working capital borrowings.

Key Rating Sensitivity Factors

- Increase in exposure to real estate business
- Exposure to promoter-driven associate companies or joint ventures
- Large, debt-funded capital expenditure or acquisitions

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	14737	18588	14583
OPBDIT	1520	1457	1704
PAT	459	212	722
Tangible Networth	4360	4008	3622
Total Debt	5024	5064	3095

OPBDIT Margins (%)	10.1	7.7	11.3
Net Profit Margins (%)	3.0	1.1	4.8
Interest cover (times)	4.16	2.20	5.22
NCA / Total Debt (times)	0.15	0.09	0.30
Gearing (times)	1.06	1.16	0.85
Total Debt / PBDIT (times)	NP	NP	NP

Manappuram Finance Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A+		A1+	Rating Watch with Developing Implications
Rating History				
08/Feb/2012	A+	-	A1+	Placed on Rating Watch with Developing Implications
23/Feb/2011	A+	-	A1+	Stable
19/Jul/2010	-		A1+	Stable

Company Background:

Incorporated in July 1992, Manappuram Finance Ltd (MFL), the Manappuram group's flagship company, is a non-banking finance company (NBFC) engaged primarily in providing finance against gold ornaments. The company is promoted by Mr. V P Nandakumar, whose family has been in the loans-against-gold business for more than 60 years. In addition to gold-loan financing, MFL offers vehicle (primarily three-wheeler) financing and business loans, which, however, comprise less than 2 per cent of its total portfolio. MFL operates through a nationwide network of more than 2700 branches.

CRISIL recently placed its ratings on MFL on 'Rating Watch with Developing Implications' following the Reserve Bank of India's (RBI's) press release, issued on February 6, 2012, cautioning the public against placing deposits in MFL and in Manappuram Agro Farms (MAF), a proprietorship firm of Mr. Nandakumar. RBI, in its press release, has cited that MFL has changed its status to a non-deposit-taking NBFC with effect from March 22, 2011 and that MAF is an unincorporated body – therefore, both the entities cannot accept public deposits. RBI's press release also points to certain process, governance and regulatory lapses on part of MFL, as MAF used Manappuram Finance's branches, offices and facilities to collect deposits.

Rating Strengths

- Strong and stable asset quality supported by well-developed risk, control, and operating processes
- Comfortable earnings and strong capitalisation
- Established track record in financing against gold jewellery

Rating Weaknesses

- Modest, albeit increasing, scale of operations and geographical and product concentration of revenues
- Significant dependence on banks for funding
- Susceptibility to changing regulatory and legislative framework

Key Rating Sensitivity Factors

- Changes in regulatory and statutory environment
- Significant improvement in market position in financing business
- Perceptible shift towards riskier underwriting norms in gold-loan segment
- Material reduction in earnings capacity on account of higher borrowing costs or increase in charge-offs

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Total Income	4778	1658	794
PAT	1197	303	210
Total Assets	25478	6598	2923
Tangible Networth	6106	1639	890
Total Debt	18327	4544	1779
PAT /Ave. Networth (%)	30.9	24.0	37.1
PAT/Ave. Total Assets (%)	7.5	6.4	9.4
Gross NPA (Times)	1.2	1.6	NA
Gearing (times)	4.2	7.7	6.1
Net Profit Margins (post-credit costs) (%)	7.5	4.6	NA

Mandhana Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
07/Jul/2010	A-		A2+	Stable
18/Jul/2008	BBB+		A2	Stable

Company Background:

Incorporated in 1984, Mandhana Industries Ltd (Mandhana Industries, formerly, Mandhana Textile Mills Pvt Ltd) initially traded in fabrics, and subsequently, entered the fabric processing and garment manufacturing business. The company was listed on stock exchanges in April 2010. It is managed by Mr. Purushottam Mandhana, Mr. Biharilal Mandhana, and Mr. Manish Mandhana (Mr. Biharilal Mandhana's son). Mandhana Industries is a vertically integrated textile and garment manufacturing company, with capability for dyeing, weaving, and processing yarn, and manufacturing garments. The company recently increased its processing capacity by setting up a continuous dyeing range and continuous bleaching range (CDR/CBR) plant in Tarapur (Maharashtra). It has capacity to weave 18 million metres per annum, manufacture 3.6 million pieces of garments per annum, process 51.6 million metres of fabric per annum, and dye 3 million kilograms of yarn per annum. Its proposed capex consists of expanding the garment manufacturing capacity by 4.7 million pieces per annum and weaving capacity by 18 million metres per annum.

Rating Strengths

- Diversified product mix and geographical presence
- Integrated and design-oriented operations
- Moderate financial risk profile

Rating Weaknesses

- Exposure to risks relating to large capital expenditure (capex) plans
- Exposure to intense competition in domestic and global textile markets
- Susceptibility to volatility in raw material prices and to economic cycles

Outlook:Stable

CRISIL believes that Mandhana Industries will maintain a stable credit risk profile over the medium term, driven by strong revenue growth and healthy cash accruals. The outlook may be revised to 'Positive' if the company registers healthy growth in profitability and sales, backed by increased capacity utilisation after completion of its proposed capex. Conversely, the outlook may be revised to 'Negative' in case of significant time and cost overruns in the execution of its expansion project, and if the company is not able to ramp up utilisation of its enhanced capacity as per expectation, leading to deterioration in its financial risk profile.

Key Rating Sensitivity Factors

- Substantial change in capital structure because of equity infusion
- Delays in implementation of capex
- Fluctuation in value of Indian rupee vis-à-vis other currencies

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	6260	4639	4080
OPBDIT	1291	906	762
PAT	407	366	322
Tangible Networth	1930	1330	995
Total Debt	4147	3182	2353

OPBDIT Margins (%)	20.6	19.5	18.7
Net Profit Margins (%)	6.5	7.9	7.9
Interest cover (times)	2.79	3.85	4.76
NCA / Total Debt (times)	0.13	0.14	0.16
Gearing (times)	2.15	2.39	2.36
Total Debt / PBDIT (times)	3.28	3.5	3.1

Mando India Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Negative
Rating History				
21/Dec/2011	A-			Negative
25/Aug/2010	A-			Stable
23/Jul/2009	BBB+			Stable
15/Jul/2008	A-			Stable

Company Background:

Mando India Ltd (MIL) was incorporated in 1997 as Mando Brakes India Ltd, a 50:50 joint venture between the Anand group (through Ansysco Ltd) and Mando Corporation, Korea (Mando Corp), a global supplier to Hyundai Motor Co, Korea (HMC, rated 'BBB/Positive' by Standard & Poor's [S&P]), for brakes, suspension, and steering systems. Mando Corp has established its facilities in countries where HMC has manufacturing units. MIL represents Mando Corp in India for manufacturing brakes and suspensions. The steering systems are manufactured by Mando India Steering Systems Pvt Ltd (Mando Steering), a 100 per cent subsidiary of Mando Corp, set up in 2006-07 at a facility leased from MIL.

MIL's plant is located at Irungattukottai, near Chennai, adjacent to Hyundai Motor India Ltd's (HMIL's, rated 'CRISIL A1+') production facility. Till 2005-06, MIL manufactured brake systems for nearly all of HMIL's automobile models. In 2006-07, MIL diversified into suspension systems for HMIL's new models; part of the capex for capacity expansion was funded through equity infusion of Rs.350 million from Mando Corp, which resulted in Mando Corp's ownership in MIL increasing to 67 per cent from 50 per cent.

Rating Strengths

- Single-source supplier of braking systems to HMIL
- Technological and financial support from Mando Corp
- Improving financial risk profile

Rating Weaknesses

- High client and segmental concentration in revenues
- Susceptability of the company's operating profitability to foreign exchange (forex) movements

Outlook: Negative

CRISIL believes that MIL's credit risk profile will remain highly susceptible to forex fluctuations over the medium term. However, the company will continue to benefit from its strong relationship with HMIL and support from Mando Corp. The rating may be downgraded if MIL's profitability declines more than expected, most likely because of any further adverse movements in forex rates or less-than-expected revenues, or if the company's gearing deteriorates more than expected, most likely because of larger-than-expected, debt-funded capital spending. Conversely, the outlook may be revised to 'Stable' if MIL gradually improves its operating profitability supported by higher-than-expected revenues and improved forex hedging practices, or if its gearing improves significantly over the medium term.

Key Rating Sensitivity Factors

- Diversification of customer base
- Ability to manage pricing pressures and volatility in forex rates
- Larger-than-expected debt-funded capital expenditure
- Continuing support from Mando Corp
- Extent of localisation of components

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	5052	5183	4194
OPBDIT	452	655	52
PAT	93	343	-239
Tangible Networth	765	652	368
Total Debt	1222	1631	1635

OPBDIT Margins (%)	8.9	12.7	1.2
Net Profit Margins (%)	1.8	6.6	-5.7
Interest cover (times)	8.85	8.93	0.97
NCA / Total Debt (times)	0.31	0.24	0.08
Gearing (times)	1.60	2.50	4.44
Total Debt / PBDIT (times)	2.59	2.45	28.21

Mangalore Chemicals and Fertilisers Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
19/Feb/2008	A-		A2+	Stable

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Mangalore Chemicals and Fertilisers Ltd (MCF) and its wholly-owned subsidiary, MCF International Ltd (MCF International). MCF is currently implementing an integrated farm management project through MCF International, which did not have any significant activity in 2008-09. Through the project, MCF intends to enter into agricultural product aggregation, processing, and distribution to become a supply chain company.

MCF, a part of the Bangalore-based UB group, manufactures and sells chemical fertilisers, such as urea, di-ammonium phosphate (DAP), and other complex fertilisers. The company was incorporated as Malabar Chemical and Fertilisers by Duggal Enterprises Pvt Ltd and International Development and Investment Company Ltd (IDIC), in 1966. The company got its present name in 1971. MCF is the only manufacturer of chemical fertilisers in Karnataka; its manufacturing facility is located at Panambur, Mangalore. The company's urea plant was commissioned in 1976, while its complex fertilisers division started operations in 1986. As on March 31, 2010, the company had an installed capacity to manufacture up to 379,500 tonnes per annum (tpa) of urea, and up to 255,000 tpa of DAP and other complex fertilisers.

MCF distributes its products under the Mangala brand, which has a strong presence in Karnataka and its adjoining states. The company's major markets are Karnataka, Kerala, Tamil Nadu, and Andhra Pradesh.

Rating Strengths

- Established position in fertiliser business, especially in South India
- Healthy operating efficiencies

Rating Weaknesses

- Average financial risk profile
- Vulnerability to fluctuations in raw material prices
- Regulated nature of fertiliser industry

Outlook: Stable

CRISIL believes that MCF will maintain its healthy cash flows over the medium term on the back of its established market position and healthy operating efficiencies. The company's profitability, however, will remain vulnerable to raw material price volatility. MCF's working capital requirements are also expected to remain large, given its large subsidy receivables. The outlook may be revised to 'Positive' if there is sustained increase in the company's profitability, coupled with decrease in subsidy receivables. Conversely, the outlook may be revised to 'Negative' in case of a fresh, significantly debt-funded capital expenditure (capex), incremental group-related investments, or if there is a reduction in subsidy because of non-conversion of its existing naphtha-based urea plant to a gas-based one.

Key Rating Sensitivity Factors

- Risk of sunset clause for conversion of existing naphtha-based plant to gas
- Unfavourable changes government's fertiliser policy
- Capex plans, and their funding pattern, including investments for conversion of naphtha-based plant to gas
- Exposure to group-related investments

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	20872	24701	16560
OPBDIT	1270	1223	983
PAT	536	278	360
Tangible Networth	3368	2973	2787
Total Debt	1006	3980	3800

OPBDIT Margins (%)	6.1	4.9	5.9
Net Profit Margins (%)	2.6	1.1	2.2
Interest cover (times)	5.24	2.62	6.53
NCA / Total Debt (times)	0.58	0.09	0.11
Gearing (times)	0.30	1.34	1.36
Total Debt / PBDIT (times)	NP	NP	NP

Manjushree Technopack Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
03/Dec/2008	A-		A2+	Stable

Company Background:

Set up in 1987 as a private company, Manjushree Technopack Limited (Manjushree) was reconstituted into a public company in 1994. The company manufactures poly-ethylene terephthalate (PET) jars and bottles, multilayer containers, PET hot-fillable bottles, and pre-forms for usage in the food, beverage, pharmaceutical, cosmetic, agricultural-chemical (agro chemical), and allied sectors. Manjushree has two manufacturing facilities in Bangalore with capacity of around 30,000 tpa of PET and pre-forms per annum.

Rating Strengths

- Established presence in plastic-packaging industry
- Healthy financial risk profile

Rating Weaknesses

- Limited pricing flexibility due to volatility in raw material prices and competition from substitute products
- Large working capital requirements

Outlook: Stable

CRISIL believes that Manjushree will maintain its revenue growth trajectory, backed by its established market position in the plastic packaging industry, supported by regular capacity expansion and healthy demand from end-user industries. The outlook may be revised to 'Positive' if the company is able to improve its operating margin while maintaining its revenue growth trajectory and improving its capital structure. Conversely, the outlook may be revised to 'Negative' if the company's profitability declines substantially, its working capital requirements are larger than expected, or it undertakes larger-than-expected, debt-funded capital expenditure (capex) programme, leading to deterioration in its financial risk profile.

Key Rating Sensitivity Factors

- Capex plans and their funding pattern
- Maintenance of operating margin, amid volatile raw material prices
- Working capital management

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1367	1025	737
OPBDIT	283	175	121
PAT	106	75	44
Tangible Networth	679	586	524
Total Debt	708	294	132
OPBDIT Margins (%)	19.0	16.5	16.3
Net Profit Margins (%)	7.1	7.1	6.0
Interest cover (times)	9.19	12.34	6.09
NCA / Total Debt (times)	0.27	0.38	0.57
Gearing (times)	1.04	0.50	0.25
Total Debt / PBDIT (times)	2.49	1.65	1.09

Manugraph India Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
01/Jun/2009	A+		A1+	Stable
01/Apr/2008	A+		A1+	Positive

Company Background:

For arriving at its ratings, CRISIL has combined the financial risk profiles of Manugraph India Ltd (Manugraph) and its subsidiaries, Manugraph DGM Inc (Manugraph DGM, formerly Dauphin Graphics Machines Inc [Dauphin]), Manugraph Kenya Ltd, and Constrad Agencies (Bombay) Pvt Ltd, as the four entities are in the same line of business.

Incorporated in 1971 by Mr. Sanat Shah, Manugraph manufactures single-width web offset printing machines, and is the market leader in this segment in India. The company has two manufacturing facilities in Kolhapur (Maharashtra). It also has an established position in the exports market, with exports accounting for about 30 per cent of its standalone revenues in 2008-09. Its strong research and development (R&D) capabilities have facilitated the development of new products such as the Smartline 4X1 machine (double width) with a speed of 70,000 copies per hour.

Manugraph DGM manufactures printing machines and re-manufactures printing machines manufactured by other companies. The company also produces spares for machines manufactured by other manufacturers.

Rating Strengths

- Comfortable business risk profile and established position in export market
- Healthy financial risk profile

Rating Weaknesses

- Exposure to cyclicality inherent in end-user industry
- Large working capital requirements

Outlook: Stable

CRISIL believes that Manugraph will sustain its business risk profile over the medium term on the back of healthy revenue growth and profitability in its India operations. Although Manugraph's US operations are expected to continue to incur losses, Manugraph's overall profitability is expected to improve because of expectation of higher profitability in the India operations. Nevertheless, Manugraph's dominant position in the Indian market for web offset printing machines, low gearing, and strong liquidity, will continue to support the rating. The outlook may be revised to 'Positive' if there is more-than-expected improvement in Manugraph's revenues and profitability on a sustained basis and if Manugraph DGM turns profitable. Conversely, the outlook may be revised to 'Negative' if there is less-than-expected growth in Manugraph's revenues or profitability, or if the company undertakes a larger-than-expected, debt-funded capital expenditure (capex), thereby weakening its financial risk profile, or if its liquid investments reduce substantially.

Key Rating Sensitivity Factors

- Demand from domestic newspaper industry
- Demand in export market
- Profitability of Manugraph DGM
- Maintenance of liquid investments
- Large debt funded capex

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2470	5586	6495
OPBDIT	186	704	852
PAT	-4	261	590
Tangible Networth	1570	1570	1335
Total Debt	696	959	1070
OPBDIT Margins (%)	7.3	12.3	13.0
Net Profit Margins (%)	-0.2	4.6	9.0
Interest cover (times)	2.42	3.03	11.11
NCA / Total Debt (times)	0.10	0.35	0.54
Gearing (times)	0.44	0.61	0.80
Total Debt / PBDIT (times)	NP	NP	NP

Maratha Vidya Prasarak Samaj, Nashik

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
25/Aug/2011	A-		A2+	Stable

Company Background:

Maratha Vidya Prasarak Samaj, Nashik (MVPS), one of the foremost educational institutes in Maharashtra, was established in 1914 by a team of social workers led by late Mr. Raosaheb Thorat. It is registered under the Bombay Public Trust Act. MVPS runs 350 educational institutions providing education to around two lakh students, from the pre-primary to post-graduate level.

Rating Strengths

- Established presence in education sector
- Strong financial risk profile

Rating Weakness

- Susceptibility to regulatory framework governing education sector

Outlook: Stable

CRISIL believes that MVPS will benefit over the medium term from its established presence in the education sector. The outlook may be revised to 'Positive' in case of significant improvement in the scale of operations coupled with favourable changes in the revenue mix or implementation of cost rationalisation measures resulting in substantial improvement in operating metrics. Conversely, the outlook may be revised to 'Negative' if the trust's capital structure deteriorates or in case any adverse regulatory change significantly impacts its operations & performance.

Key Rating Sensitivity Factors

- Debt protection metrics and operating margin
- Changes in regulatory framework

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	451	316	292
OPBDIT	263	96	125
PAT	158	31	45
Tangible Networth	1,776	1,497	1,355
Total Debt	359	377	270

OPBDIT Margins (%)	13.1	6.0	8.9
Net Profit Margins (%)	7.8	1.9	3.2
Interest cover (times)	7.68	34.41	6.63
NCA / Total Debt (times)	0.76	0.34	0.50
Gearing (times)	0.20	0.25	0.20
Total Debt / PBDIT (times)	1.14	2.85	1.70

Marathon Electric Motors (India) Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
17/Jan/2011	A		A1	Stable

Company Background:

Marathon Electric Motors (India) Limited (MEMIL) manufactures electric motors and industrial fans. It is a wholly owned subsidiary of RBC Beloit Holdings B V, Netherlands (Regal; a subsidiary of RBC Manufacturing Corporation, USA, which is, in turn, a subsidiary of RBC). The company was taken over by RBC from Alstom Energy Ltd in November 2007, and its name was changed to MEMIL from Alstom Industrial Products Ltd. MEMIL was initially set up in 1938 as a subsidiary of General Electric Company. MEMIL manufactures both fractional horsepower (low tension [LT], of up to 120 kilo volt {kV}) and integral horsepower (high tension, of up to 750 kV) motors, which it supplies to various original equipment manufacturers and distributors, as well as engineering, procurement, and construction contractors. The products are used in power, steel, and ash handling plants.

MEMIL derives around 90 per cent of its revenues from the motor business, and the rest from the industrial fan business. The company has two manufacturing units in Kolkata (West Bengal). It has manufacturing capacity of 1600 motors at its large motors unit, and the capacity to manufacture 31,250 motors and 100,000 industrial fans at the other unit. The RBC group also has a subsidiary in Faridabad (Haryana) called Marathon Motors India Pvt Ltd, which manufactures LT motors.

Rating Strengths

- Healthy financial risk profile
- Established position in electric motor business in India, and business support from parent, Regal Beloit Corporation, USA (RBC)

Rating Weaknesses

- Stagnant revenue growth in the past, low operating margin, and vulnerability to increase in raw material prices
- Highly working-capital-intensive operations, with high debtor risk

Outlook: Stable

CRISIL believes that MEMIL will maintain its strong financial risk profile over the medium term, driven by comfortable cash accruals and low debt levels. The company is also expected to benefit from its established position in the electric motor business during this period. The outlook may be revised to 'Positive' if the company registers higher-than-expected revenues and profitability and entry into electric motors with horsepower of more than 750 kV. Conversely, the outlook may be revised to 'Negative' if the company faces sustained pressure on revenues and profitability, or deterioration in liquidity because of more-than-expected working capital requirements.

Key Rating Sensitivity Factors

- Improvement in scale of operations and profitability
- Working capital management
- Increase in raw material prices
- Debt-funded capital expenditure plans
- Large dividend payout to parent; extent of group exposure

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2591	2694	2630
OPBDIT	327	324	425
PAT	180	251	224
Tangible Networth	1327	1137	875
Total Debt	-	-	-

OPBDIT Margins (%)	12.4	11.9	15.9
Net Profit Margins (%)	6.8	9.2	8.4
Interest cover (times)	53.65	61.19	50.22
NCA / Total Debt times)	-	-	-
Gearing (times)	-	-	-
Total Debt / PBDIT (times)	-	-	-

Maruichi KUMA Steel Tube Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
06/Sep/2011	A-	-	A2+	Stable
15/Sep/2010	BBB-	-	A3	Stable
25/Feb/2010	BB	-	A4+	Positive
24/Jul/2009	B+	-	A4	Stable
18/Dec/2008	C	-	A4/A5	-
29/Apr/2008	BBB-	-	A3	Stable

Company Background:

Maruichi KUMA Steel Tube Pvt Ltd (Maruichi KUMA) manufactures stainless steel and aluminised steel tubes for automotive exhaust applications at its facility in Gurgaon (Haryana). It was incorporated in 2003 as a joint venture between tube mill manufacturers Kusakabe Electric & Machinery Company Ltd (Kusakabe), Japan, and Gallium Industries Ltd (Gallium, a subsidiary of Kusakabe); and automotive exhaust manufacturer SKH Metals Ltd (SKH Metals). Kusakabe acquired SKH Metals' stake in Maruichi KUMA in September 2009 and Gallium's stake subsequently. Kusakabe sold 95 per cent stake in Maruichi KUMA to Maruichi Japan in 2009-10, and plans to transfer the remaining 5 per cent to Maruichi Japan by February 2012. Maruichi Japan transferred a 30 per cent stake in Maruichi KUMA to TTC in 2010-11. TTC, part of the Toyota Motor Group (rated 'AA/Negative/A-1+' by Standard & Poor's), trades in steel and other products and has a global presence through its subsidiaries and affiliates.

Set up in 1948, TTC is a trading unit for the Toyota group. TTC has a worldwide presence and trades in a variety of products, including steel and aluminium (comprising its largest division), machinery and electronics, automotive, energy and chemicals, and consumer products. Toyota Motor Corporation owns 22 per cent of TTC's equity shares, and Toyota Industries Corporation owns 11 per cent.

Rating Strengths

- Strong financial risk profile
- Healthy market position in stainless steel tubes segment and above average operating efficiencies
- Operational, technical, and financial support from parent, Maruichi Japan

Rating Weakness

- Large working capital requirements

Outlook: Stable

CRISIL believes that Maruichi KUMA will continue to benefit from its established clientele and its focus on the stainless steel tube segment, over the medium term. Operational and financial support from Maruichi Japan is expected to help Maruichi KUMA maintain its improved business performance and financial metrics. The outlook may be revised to 'Positive' if Maruichi KUMA reports substantially improved sales and profitability. Conversely, the outlook may be revised to 'Negative' if the company reports lower-than-expected sales and profitability, or if Maruichi Japan reduces or discontinues its financial, technological, and operational support for Maruichi KUMA.

Key Rating Sensitivity Factors

- Continued support from financially strong parent
- Size and funding mix of capital expenditure
- Working capital management

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1033	642	503
OPBDIT	186	126	66
PAT	103	53	13
Tangible Networth	737	134	81
Total Debt	69	96	197
OPBDIT Margins (%)	17.4	18.5	12.4
Net Profit Margins (%)	9.7	7.8	2.4
Interest cover (times)	9.28	6.62	1.84
NCA / Total Debt (times)	1.72	0.70	0.11
Gearing (times)	0.09	0.72	2.43
Total Debt / PBDIT (times)	0.36	0.77	2.96

Mascot Properties Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
04/May/2011	A			Stable
01/Dec/2009	BBB+			Positive

Company Background:

For arriving at its ratings, CRISIL has combined the financial and business risk profiles of 35 entities, including Mascot Properties Pvt Ltd, together referred to as the Salarpuria-Sattva group.

The group was founded by the late Mr. G. D. Salarpuria in 1986 in Kolkata. Currently, the group is being managed by Mr. Bijay Agarwal, who is the managing director. The group has been involved in construction and development of real estate for the past 25 years. Salarpuria Properties Pvt Ltd and Sattva Developers Pvt Ltd are the two flagship companies of the group, with 33 other group entities actively engaged in the real estate business. The group has an ISO 9001:2000 certification. Till date, the group has completed 71 real estate projects (mainly commercial) in Bengaluru. The group is shifting its focus to residential real estate sector from being a predominantly commercial real estate player. It has also entered in Kolkata, Hyderabad, Mysore, Pune, and Visakhapatnam markets, by acquiring some parcel of land which it plans to develop over medium term.

Rating Strengths

- Healthy financial risk profile marked by comfortable capital structure and high financial flexibility because of large portfolio of leased assets
- Strong brand name, and good track record, in Bengaluru real estate market

Rating Weaknesses

- Revenue concentration in information technology (IT) and IT-enabled services (ITeS) sectors
- Risks and cyclicality inherent in real estate sector

Outlook: Stable

CRISIL believes that the Salarpuria-Sattva group will maintain its strong market position in the Bengaluru real estate market, given its established track record. The outlook may be revised to 'Positive' in case of a significant increase in the group's revenues and geographic diversification, leading to improvement in its business risk profile. Conversely, the outlook may be revised to 'Negative' if the saleability of the group's projects is below expectation, resulting in weakening in its financial risk profile, or if the group makes sizeable investments in unrelated businesses.

Key Rating Sensitivity Factors

- Significant increase in debt funding of projects
- Investments in unrelated businesses
- Successful completion of projects

Financial Performance

Rupees Billion	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1.04	3.27	0.57
OPBDIT	2.12	2.93	1.62
PAT	1.03	1.57	0.67
Tangible Networth	13.17	12.14	10.33
Total Debt	4.47	4.89	7.14

OPBDIT Margins (%)	70.0	56.9	70.0
Net Profit Margins (%)	34.1	30.5	28.8
Interest cover (times)	4.3	4.9	2.4
NCA / Total Debt (times)	0.32	0.43	0.12
Gearing (times)	0.34	0.4	0.69
Total Debt / PBDIT (times)	3.0	4.3	3.5

Mastek Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Negative
Rating History				
29/Nov/2011	A+	-	A1	Negative
10/Mar/2011	AA-	-	A1+	Negative
08/Sep/2010	AA-	-	A1+	Stable
11/Nov/2009	AA	-	A1+	Negative
30/Sep/2008	AA**	-	A1+	Stable

***Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Mastek Limited (Mastek) and Mastek's wholly owned subsidiaries.

Mastek (formerly known as Management and Software Technology Pvt Ltd) was established in 1982 by Mr. Ketan Mehta, Mr. Ashank Desai, Mr. Sudhakar Ram, and Mr. Radhakrishnan Sundar. Mastek offers enterprise technology solutions, focusing primarily on three verticals – insurance, government, and financial services. The company has subsidiaries in the UK, the US, Germany, Singapore, Malaysia, Thailand, and Canada.

Rating Strengths

- Moderate market position in the niche insurance vertical
- Healthy financial risk profile

Rating Weaknesses

- Weak operating profitability
- Customer and geographic concentration in revenue profile

Outlook: Negative

CRISIL believes that improvement in Mastek's operating income and profitability will depend on the extent of execution of orders and revenues from new products developed. The ratings may be downgraded if Mastek's operating profitability does not improve in the second half of 2011-12, makes debt-funded acquisition, thereby adversely impacting its financial flexibility. Conversely, the outlook may be revised to 'Stable' if Mastek reports a significant and sustained growth in its revenues, coupled with an improvement in profitability at both the operating and net levels.

Key Rating Sensitivity Factors

- Success in newly entered segments
- Growth in revenue and improvement in operating margin
- Fluctuations in foreign exchange rates
- Large and debt-funded acquisitions or capital expenditure

Financial Performance

Rupees Million	30-Jun-10	30-Jun-09	30-Jun-08
Net Sales	7138	9426	8940
OPBDIT	953	1815	1820
PAT	677	1412	1259
Tangible Networth	5478	5085	3946
Total Debt	435	709	895
OPBDIT Margins (%)	12.6	17.7	18.4
Net Profit Margins (%)	9.4	14.6	14.0
Interest cover (times)	70.03	35.12	45.96
NCA / Total Debt times)	1.94	1.97	1.41
Gearing (times)	0.08	0.14	0.23
Total Debt / PBDIT (times)	0.48	0.42	0.54

Matrix Cellular International Services Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
05/Apr/2011	A-			Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Matrix Cellular International Services Pvt ltd (MCIS) and its three wholly owned subsidiaries, Matrix Cellular PTE Ltd (Singapore), GD Enterprises FZE (Dubai), and Matrix Cellular Services International UK Pvt Ltd (UK), collectively referred to as the Matrix group.

Promoted by Mr. Gagan Dugal, in November 2005, MCIS is the flagship company of the Matrix group. It is a leading service provider of country-specific airtime connections in India under the Matrix brand. MCIS operates as a mobile virtual network operator (MVNO) for international mobile operators in India; it purchases cellular airtime from international mobile network operators (MNO) at their respective local tariffs, applies a mark-up on the tariffs, and sells the same to domestic users (travellers/students) travelling abroad. Since the airtime is purchased as per local tariffs of MNOs in countries across the world, usage of this airtime is significantly cheaper for user, as compared to international roaming. MCIS has tie-ups with 40 mobile operators across 33 countries.

Rating Strengths

- Strong market position in cellular services industry supported by strong brand name, robust billing platform, and strong relationships with vendors
- Strong financial risk profile supported by comfortable cash accruals

Rating Weaknesses

- Risks related to increasing competition in telecom service provider industry, and exposure to adverse regulatory changes
- High geographic concentration with risks related to vagaries in travel and tourism industry

Outlook: Stable

CRISIL believes that the Matrix group will maintain its strong market position as a leading enhanced service provider of mobile airtime in India, over the medium term, on the back of its strong brand name and established vendor relationships. The outlook may be revised to 'Positive' in case the group further scales up its operations, while maintaining its strong profitability and healthy capital structure. Conversely, the outlook may be revised to 'Negative' if the Matrix group faces any pressure on revenues or profitability because of any adverse regulation in the telecom industry, or larger-than-expected expenditure on advertising and expansion or large, debt-funded expansion plans.

Key Rating Sensitivity Factors

- Successful expansion of operations with sustenance of operations and profitability
- Changes in regulatory policies in India and international telecom industry
- Extent of expenditure on advertising, and new product development
- Investment in affiliate companies

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1,082	941	558
OPBDIT	139	-112	63
PAT	52	-198	18
Tangible Networth	410	359	534
Total Debt	265	229	158
OPBDIT Margins (%)	12.8	-11.9	11.2
Net Profit Margins (%)	4.8	-21.0	3.2
Interest cover (times)	2.43	-3.94	2.45
NCA / Total Debt times)	0.24	-0.69	0.21
Gearing (times)	0.65	0.64	0.30
Total Debt / PBDIT (times)	1.91	-1.23	2.54

Mayur Uniquoters Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
27/Mar/2009	A-	-	A2+	Stable

Company Background

Mayur Uniquoters Ltd (MUL), a listed company, was set up by Mr. S K Poddar in 1992. It manufactures synthetic leather for automotive, footwear, furnishing, apparel, leather, and sports goods industries; its manufacturing unit in Jaipur has capacity to manufacture 14.4 million linear metres per annum. It has obtained ISO 9001-2000, EMS 14001:2004, and OHSAS 18001:1999 certifications.

Rating Strengths

- Diversity in end-user industry to help in revenue growth.
- Favourable financial risk profile

Rating Weakness

- Highly-fragmented nature of synthetic leather industry, marked by stiff competition

Outlook: Stable

The 'Stable' outlook reflects CRISIL's expectation that MUL will be able to sustain its present financial risk profile characterized by low gearing levels and comfortable debt protection measures. The outlook may be revised to 'Positive' in case of better than expected improvement in business risk profile driven by expanding presence in the export market and diversifying end use application for its product categories. Conversely, the outlook may be revised to 'Negative' if the company plans higher than expected debt funded capital expenditure (capex) or in case of deterioration in profitability on account of increasing competition in the domestic market leading to lower than expected cash accruals.

Key Rating Sensitivity Factors

- Capex plans and their funding

Financial Performance

Rs. Million	31-Mar-08	31-Mar-07	31-Mar-06
Net Sales	888	652	567
OPBDIT	105	66	66
PAT	51	27	26
Tangible Networth	244	195	177
Total Debt	90	108	114
OPBDIT Margins (%)	11.6	10.0	11.5
Net Profit Margins (%)	5.7	4.0	4.5
Interest cover (times)	9.05	5.55	5.37
NCA / Total Debt times)	0.59	0.31	0.31
Gearing (times)	0.37	0.56	0.64
Total Debt / PBDIT (times)	0.85	1.62	1.70

MCC PTA India Corporation Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
14/Jan/2011	A-		A2+	Stable
02/Nov/2009	A-		A2+	Negative
26/Nov/2008	A		A1	Stable

Company Background:

MCC PTA India Corporation Private Limited (MCC PTA) is a 66 per cent subsidiary of Mitsubishi Chemical Corporation, Japan (MCC). MCC, Japan's largest chemical company and one of the world's largest producers of purified terephthalic acid (PTA). Incorporated in 1997, MCC PTA has capacity to manufacture 470,000 tonnes per annum (tpa) of PTA. The company recently set up a second PTA line with capacity of 800,000 tpa at its plant at Haldia (West Bengal), which commenced operations in March 2010.

MCC is a 100 per cent subsidiary of Mitsubishi Chemical Holdings Corporation (MCH). MCH is a Japan-based diversified chemicals company that undertakes business in the performance products, health care, and chemicals' industries.

Rating Strengths

- Operational and financial support from parent
- Improving market position, supported by increasing capacities

Rating Weaknesses

- Average financial risk profile
- Susceptibility of operating margin to volatility in raw material prices and in foreign exchange (forex) rates

Outlook: Stable

CRISIL believes that MCC PTA will continue to benefit from the expected stabilisation of operations at its new unit, its market position in the PTA industry, and continued support from its parent, over the medium term. The outlook may be revised to 'Positive' if MCC PTA optimally utilises its enhanced capacity and if there is a sustained improvement in its operating margin, thereby leading to an improvement in debt protection metrics. Conversely, the outlook may be revised to 'Negative' if the company's financial risk profile deteriorates, most likely because of lower-than-expected profitability or larger-than-expected debt-funded capital expenditure (capex) over the medium term.

Key Rating Sensitivity Factors

- Continued support from parent and timing of equity infusion
- Stabilisation of operations and its impact in operating profitability
- Large debt-funded capex

Financial Performance

Rupees Million	31-Dec-09	31-Dec-08	31-Dec-07
Net Sales	17610	14164	16802
OPBDIT	2210	-4282	-750
PAT	1646	-4370	-460
Tangible Networth	7415	5766	10137
Total Debt	15661	16264	10299
OPBDIT Margins (%)	12.5	-30.2	-4.4
Net Profit Margins (%)	9.3	-30.8	-2.7
Interest cover (times)	13.51	-10.77	1.16
NCA / Total Debt times)	0.16	-0.22	0.03
Gearing (times)	2.11	2.82	1.02
Total Debt / PBDIT (times)	5.66	-3.80	55.17

Medley Pharmaceuticals Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
8/Dec/2010	A	-	A1	Stable
31/Mar/2009	A-**	-	A2+**	Stable

*** Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Medley Pharmaceuticals Ltd (MPL) and its 51 per cent held subsidiary, Sinkhai Healthcare Ltd (SHL). Set up by Mr. Sami Khatib in 1975, MPL commenced operations by manufacturing formulations. Since then, the company has diversified into segments such as cardiovascular, anti-diabetic, antibiotic, anti-allergic, and gastroenterological therapy.

In the domestic formulations market, it was placed 39th in the October 2010 rankings of IMS Health Information and Consulting Services India Pvt Ltd, in terms of market share. MPL is also present in the international market, with around 10 per cent of its revenues coming from exports, mainly to semi-regulated markets such as Vietnam, Cambodia, Laos, Myanmar, Maldives, Kenya, Zambia, and Tanzania. MPL received UK MHRA approval for its Daman (Dadra and Nagar Haveli) facility during 2010-11. SHL is involved in trading pharmaceutical products. The company commenced operations in July 2009.

Rating Strengths

- Stable revenue, owing to established market position in haematinics and anti-diarrhoea segments
- Comfortable financial risk profile

Rating Weaknesses

- High revenue concentration in top five brands
- Exposure to risks related to intense competition in some therapeutic segments

Outlook: Stable

CRISIL believes that the MPL will maintain its financial risk profile over the medium term, supported by its comfortable capital structure and debt protection metrics. The outlook may be revised to ‘Positive’ if MPL generates more-than-expected revenues and diversifies its therapeutic drugs profile and geographic spread, while maintaining its operating margin and capital structure, primarily supported by additional revenues from its UK Medicines and Healthcare Products Regulatory Agency (MHRA)-approved plant. Conversely, the outlook may be revised to ‘Negative’ if MPL undertakes a large debt-funded capital expenditure (capex) programme or acquisition, thereby weakening its capital structure, or if its profitability declines.

Key Rating Sensitivity Factors

- Improvement in revenue diversity
- Extent of financial support provided to group companies
- Higher-than-expected debt-funded capex

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2115	2088	1847
OPBDIT	412	402	280
PAT	252	251	122
Tangible Networth	1321	801	578
Total Debt	257	275	592
OPBDIT Margins (%)	19.3	19.1	15.0
Net Profit Margins (%)	11.8	11.9	6.5
Interest cover (times)	14.45	11.45	4.10
NCA / Total Debt times)	1.03	1.04	0.29
Gearing (times)	0.19	0.34	1.02
Total Debt / PBDIT (times)	0.62	0.69	2.04

Megha Technical & Engineers Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
02/Feb/2010	A		A1	Stable

Company Background:

For arriving at the rating, CRISIL has combined the business and financial profiles of Megha Technical & Engineers Private Limited (MTEPL), its parent, Cement Manufacturing Company Ltd (CMCL), and Star Cement Meghalaya Ltd (SCML, a wholly-owned subsidiary of CMCL), together referred to as the CMCL group.

CMCL, a subsidiary of Century Plyboard (I) Ltd (rated 'CRISIL A+/Stable/CRISIL A1), is promoted by Mr. Hari Prasad Agarwal, Mr. Sanjay Agarwal, and Mr. Sajjan Bhajanka. CMCL, which commenced operations in December 2004, is based in Lumshnong. It has an installed capacity of 600,000 tonnes per annum (tpa) for clinkering and 400,000 tpa for grinding. MTEPL, incorporated in 2003, started commercial production in May 2007 with a grinding capacity of 462,000 tpa. The combined cement manufacturing capacity of the CMCL group is about 1 million tonnes per annum (mtpa). SCML plans to set up a 1.75-mtpa cement clinker plant in Lumshnong. MPL operates an 8-megawatt (MW) power plant in Lumshnong and plans to set up another 43-MW power plant there.

Rating Strengths

- Established market position and brand image in North-East India
- Benefits derived from high demand and fiscal incentives offered to players in North-East India
- Healthy financial risk profile

Rating Weaknesses

- Vulnerability to cyclicality in cement industry
- Exposure to risks related to implementation of projects

Outlook: Stable

CRISIL believes that the CMCL group will maintain its credit profile over the medium term, supported by its strong net cash accruals and established market presence in the North East region. The outlook may be revised to 'Positive' if the group completes its ongoing capital expenditure (capex), without cost or further time overruns, and reports strong growth in revenue and margins. Conversely, the outlook may be revised to 'Negative' if the CMCL group undertakes a larger-than-expected debt-funded capex programme, faces cost or time overrun in its projects, or derives less-than-expected benefits from operations, leading to a decline in its profitability.

Key Rating Sensitivity Factors

- More-than-expected investment in group concerns
- Additional debt-funded capex
- Sustenance of growth and profitability

Financial Performance (Not Published)

Meghalaya Power Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
17/Jan /2012	A	-	A1	Stable
01/Oct/2010	A	-	-	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Cement Manufacturing Company Ltd (CMCL) and its subsidiaries, Star Cement Meghalaya Ltd (SCML), Megha Technical and Engineers Pvt Ltd (MTEPL), and MPL, together referred to as the CMCL group.

CMCL, a subsidiary of Century Plyboard (I) Ltd (rated 'CRISIL A+/Stable/CRISIL A1), is based in Lumshnong (Meghalaya), was promoted by the late Mr. Banwari Lal Agarwal, along with Mr. Hari Prasad Agarwal, Mr. Sanjay Agarwal, and Mr. Sajjan Bhajanka. It commenced its operations in December 2004. The company has an installed capacity of 792,000 tonnes per annum (tpa) for clinkering and 590,000 tpa for grinding. MTEPL was set up in May 2007 with a grinding capacity of 462,000 tpa, which has been gradually increased to 673,200 tpa. The combined cement manufacturing capacity of the CMCL group is about 1.3 million tonnes per annum (mtpa). SCML is setting up a 1.75-mtpa cement clinker plant in Lumshnong. MPL operates an 8-megawatt (MW) power plant and is setting upanother 43-MW power plant at Lumshnong.

Rating Strengths

- Established market position and brand image in North-East India
- Benefits derived from high demand and fiscal incentives offered to players in North-East India
- Healthy financial risk profile

Rating Weaknesses

- Vulnerability to cyclicality in cement industry
- Exposure to project implementation risks

Outlook: Stable

CRISIL believes that the CMCL group will maintain its credit profile over the medium term, supported by its strong net cash accruals and established market presence in the North East region. The outlook may be revised to 'Positive' if the group completes its ongoing capital expenditure (capex), without cost or further time overruns, and reports strong growth in revenue and margins. Conversely, the outlook may be revised to 'Negative' if the CMCL group undertakes a larger-than-expected debt-funded capex programme, faces cost or time overrun in its projects, or derives less-than-expected benefits from operations, leading to a decline in its profitability.

Key Rating Sensitivity Factors

- More-than-expected investment in group concerns
- Extent and funding-mix of capex
- Ability to maintain growth and profitability

Financial Performance (Not Published)

Meghmani Dyes and Intermediates Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Positive
Rating History				
10/Nov/2010	A+		A1	Positive
04/Dec/2009	A+		A1	Stable

Company Background:

CRISIL has combined the financial and business risk profiles of Meghmani Dyes and Intermediates Limited (MDIL) and its subsidiary, Synergy Chlorination Pvt Ltd to arriving at its ratings.

Promoted in 1979 by Mr. Natwarlal M Patel and Mr. Ramesh M Patel as a partnership firm named Meghmani Dyes and Intermediates, and converted to a limited company in 1999, MDIL manufactures reactive dyes and optical brightening agents (OBAs). The company caters to the domestic and export markets, selling reactive dyes and OBAs under the Reactobond and Megawhite brands, respectively. The company has one manufacturing facility in Vatva near Ahmedabad (Gujarat), with capacity to produce 6600 tonnes per annum (tpa) of reactive dyes and 3600 tpa of OBAs.

The Meghmani group has an established position in the domestic and global markets in the agrochemicals, dyes, pigments, and intermediates industries. The group commenced operations in 1977 with a partnership firm, Ashish Chemicals, to manufacture pigments; currently, the group has more than 15 manufacturing facilities at different locations in Gujarat. The group's flagship company is Meghmani Organics Ltd (rated 'CRISIL A/Stable/CRISIL A1').

Rating Strengths

- Established presence in dyes and pigments business
- Strong financial risk profile
- Diversified customer profile

Rating Weaknesses

- Working-capital-intensive operations
- Vulnerability of operating margin to fluctuations in raw material prices

Outlook: Positive

CRISIL believes that MDIL will report improvement in its revenues and margins, driven by increasing sales of OBAs and supported by its established position in the dyes and intermediates business. The rating may be upgraded if MDIL reports significantly more-than-expected increase in its scale of operations while maintaining its profitability. Conversely, the outlook may be revised to 'Stable' if MDIL's profitability declines because of intense competition from domestic and Chinese players, raw material price volatility, or if its working capital requirements increase significantly, or if it undertakes any large debt-funded capital expenditure plans.

Key Rating Sensitivity Factors

- Working capital management
- Government regulations regarding chemical exports
- Extent of fluctuations in raw material prices
- Size and funding pattern of acquisition

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1929	1669	1377
OPBDIT	410	334	185
PAT	360	164	134
Tangible Networth	1432	1112	965
Total Debt	13	50	121

OPBDIT Margins (%)	21.2	20.0	13.4
Net Profit Margins (%)	18.7	9.8	9.7
Interest cover (times)	65.39	24.54	30.17
NCA / Total Debt (times)	26.20	3.39	1.20
Gearing (times)	0.01	0.04	0.13
Total Debt / PBDIT (times)	0.03	0.22	0.70

Meghmani Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
04/Dec/2009	A+		A1	Stable

Company Background:

Meghmani Industries Ltd (MIL), a part of the Ahmedabad-based Meghmani group, was incorporated in 1993 by Mr. Natu M Patel and Mr. Ramesh M Patel. MIL has been in the business of manufacturing, trading in, and marketing herbicides and fungicides, technicals and its formulations. The company primarily manufactures agrochemical technicals and formulations, which contributed over 90 per cent to its revenues in 2010-11. The company sells in bulk in the domestic and overseas markets under the Meghmani brand, while its retail sales are made via 20 brands. Exports, which are primarily bulk sales accounted for about 40 per cent of MIL's revenues in 2010-11.

The company has two manufacturing facilities in Vatva and Charodi near Ahmedabad, with agrochemical manufacturing capacity of 10,200 tpa. The company is in the process of completing the installation of its agrochemical, optical brightening agent (OBA), and acid dyes plant at Dahej special economic zone (SEZ) in Gujarat. The plant has a 2500-tpa agrochemical facility (one-third the current capacity of its existing facility), which became operational in August 2011. The 7000-tpa OBA facility became operational recently. The 1200-tpa acid dyes facility is expected to commence commercial production in March 2012. MIL has a leadership position in products such as pendimethalin and sulphur. The Meghmani group is an established group in India as well as abroad in agrochemicals, dyes, pigments, and intermediates.

Rating Strengths

- Established presence in agrochemicals business
- Strong financial risk profile

Rating Weaknesses

- Working-capital-intensive operations
- Lack of access to suite of new products, unlike multinational competitors

Outlook:Stable

CRISIL believes that MIL will continue to benefit from its established market position in the agrochemicals business. The outlook may be revised to 'Positive' if MIL diversifies its product profile and substantially increases its scale of operations, while it maintains its profitability. Conversely, the outlook may be revised to 'Negative' if MIL's profitability declines or if its newly set-up facility at Dahej SEZ generates less-than-expected cash accruals, or if the company contracts more-than-expected debt to fund any capex or working capital requirements, leading to weakening in its financial risk profile.

Key Rating Sensitivity Factors

- Working capital management
- Government regulations regarding pesticides
- Extent of fluctuations in raw material prices

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1866	1433	1891
OPBDIT	256	193	430
PAT	252	202	181
Tangible Networth	1467	1226	1042
Total Debt	353	193	129
OPBDIT Margins (%)	13.7	13.4	22.7
Net Profit Margins (%)	13.5	14.1	9.5
Interest cover (times)	25.39	58.65	44.22
NCA / Total Debt (times)	0.79	1.09	1.52
Gearing (times)	0.24	0.16	0.12
Total Debt / PBDIT (times)	1.03	0.64	0.54

Meghmani Organics Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A		A1	Stable
Rating History				
15/Jul/2011	A		A1	Stable
25/Jun/2010	A		A1	Positive
15/May/2008	A		A1	Stable
29/Jan/2008	-		A1	Removed from Watch With Negative Implications
07/Nov/2007	-		A1+	Placed on Rating Watch With Negative Implications

Company Background:

Meghmani Organics Ltd (MOL) was established in 1986 by Mr. Jayanti Patel, Mr. Ashish Soparkar, Mr. Natwarlal Patel, Mr. Ramesh Patel, and Mr. Anand Patel. The company specialises in the manufacture of green and blue pigment products. These products are used in the manufacture of printing ink, plastics, paints, textiles, leather, and rubber. MOL also produces a wide variety of commonly used pesticides for crop and non-crop applications; the latter include public health, and insect control in wood preservation and food grain storage. In July 2009, the company commissioned its caustic soda plant with an installed capacity of 113,000 tonnes per annum and powered by a 40-megawatt captive thermal power generation unit.

The company has six production facilities located in and around Ahmedabad and Bharuch in Gujarat. The promoters hold about 49 per cent of the company's shares that are listed on the Singapore Stock Exchange, National Stock Exchange, and the Bombay Stock Exchange.

Rating Strengths

- Established position in pigments and agro-chemicals, with good presence in export market
- Backward integration, leading to cost advantages

Rating Weaknesses

- Working capital intensive nature of business
- Average financial risk profile, driven by large debt funded capital expenditure (capex)

Outlook: Stable

CRISIL believes that MOL will benefit over the medium term from its stable cash accruals and the expected completion of its capex programmes in 2011-12. The outlook may be revised to 'Positive' in case of higher-than-anticipated profitability, also leading to faster correction in its gearing levels. Conversely, the outlook may be revised to 'Negative' in case of further debt-funded capex or drop in realisations from key product lines, leading to lower profitability, and impacting the company's gearing and debt protection metrics.

Key Rating Sensitivity Factors

- Capex and acquisitions, and their funding mix
- Utilisation levels at caustic soda plant
- Sustainability of improvement in profitability
- Management of receivables

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	10247	8182	7919
OPBDIT	1527	1015	1603
PAT	298	396	372
Tangible Networth	5351	5193	4903
Total Debt	7152	6478	5689

OPBDIT Margins (%)	14.6	12.1	19.7
Net Profit Margins (%)	2.8	4.7	4.6
Interest cover (times)	2.77	3.27	3.52
NCA / Total Debt (times)	0.11	0.08	0.17
Gearing (times)	1.34	1.25	1.16
Total Debt / PBDIT (times)	4.64	6.29	3.52

Merino Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Positive
Rating History				
10/Dec/2010	A-		A2+	Positive
13/Oct/2008	A-		A2+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Merino Industries Limited (MIL) and its subsidiary, Merino Panel Products Ltd (MPPL), together referred to as the Merino group.

MIL and MPPL are part of the Merino group, managed by the Lohia family. The Merino group is one of the largest manufacturers and exporters of laminates for interiors in India. The flagship company, MIL, was incorporated as HN Lohia (Agencies) Pvt Ltd in 1965. Its name was changed to Century Laminating Co Pvt Ltd in 1984. MIL became a deemed public company in 1988, and got its present name in 2007. The Merino group also has interests in interior solutions and the agro business. MPPL, formed in 1994, is in the same line of business as MIL.

Rating Strengths

- Established market position in decorative laminates industry
- Healthy financial risk profile
- Stable revenues, backed by diversified business interests

Rating Weaknesses

- Working-capital-intensive operations
- Susceptibility of margins to competition

Outlook: Positive

CRISIL expects further improvement in the Merino group's financial risk profile over the medium term, supported by healthy revenue growth and stable cash accruals. The business risk profile of the group is expected to remain stable, driven by its established market position, and the healthy growth prospects of the decorative laminates industry. The rating may be upgraded if the group's financial risk profile and liquidity improve on account of more-than-expected increase in profitability and better working capital management. Conversely, the outlook may be revised to 'Stable' if the group contracts larger-than-expected debt to fund its capital expenditure (capex) or in case of a significant decline in profitability over the medium term.

Key Rating Sensitivity Factors

- Diversification or significant investments in unrelated activities
- Maintenance of profitability at group level
- Large debt-funded capex

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	4816	4211	3414
OPBDIT	752	513	459
PAT	289	58	195
Tangible Networth	1020	812	785
Total Debt	1318	1742	1301
OPBDIT Margins (%)	15.4	12.0	13.3
Net Profit Margins (%)	5.9	1.4	5.7
Interest cover (times)	10.55	1.85	4.38
NCA / Total Debt (times)	0.26	0.11	0.21
Gearing (times)	1.29	2.15	1.66
Total Debt / PBDIT (times)	2.06	3.45	2.80

Merino Panel Products Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Positive
Rating History				
10/Dec/2010	A-		A2+	Positive
13/Oct/2008	A-		A2+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Merino Industries Limited (MIL) and its subsidiary, Merino Panel Products Ltd (MPPL), together referred to as the Merino group.

MIL and MPPL are part of the Merino group, managed by the Lohia family. The Merino group is one of the largest manufacturers and exporters of laminates for interiors in India. The flagship company, MIL, was incorporated as HN Lohia (Agencies) Pvt Ltd in 1965. Its name was changed to Century Laminating Co Pvt Ltd in 1984. MIL became a deemed public company in 1988, and got its present name in 2007. The Merino group also has interests in interior solutions and the agro business. MPPL, formed in 1994, is in the same line of business as MIL.

Rating Strengths

- Established market position in decorative laminates industry
- Healthy financial risk profile
- Stable revenues, backed by diversified business interests

Rating Weaknesses

- Working-capital-intensive operations
- Susceptibility of margins to competition

Outlook: Positive

CRISIL expects further improvement in the Merino group's financial risk profile over the medium term, supported by healthy revenue growth and stable cash accruals. The group's business risk profile is expected to remain stable, driven by its established market position, and the healthy growth prospects for the decorative laminates industry. The rating may be upgraded if the Merino group's financial risk profile and liquidity improve on account of larger-than-expected increase in profitability and better working capital management. Conversely, the outlook may be revised to 'Stable' if the group contracts larger-than-expected debt to fund its capital expenditure (capex) or in case of a significant decline in profitability over the medium term.

Key Rating Sensitivity Factors

- Diversification or significant investments in unrelated activities
- Maintenance of profitability at group level
- Large, debt-funded capex

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	4816	4211	3414
OPBDIT	752	513	459
PAT	289	58	195
Tangible Networth	1020	812	785
Total Debt	1318	1742	1301
OPBDIT Margins (%)	15.4	12.0	13.3
Net Profit Margins (%)	5.9	1.4	5.7
Interest cover (times)	10.55	1.85	4.38
NCA / Total Debt (times)	0.26	0.11	0.21
Gearing (times)	1.29	2.15	1.66
Total Debt / PBDIT (times)	2.06	3.45	2.80

Messung Systems Private Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A		A1	Rating watch with Developing Implications
Rating History				
16/ Feb/2012	A	-	A1	Placed on Rating Watch with Developing Implications
26/ Feb/2010	A	-	A1	Stable

Company Background

Set up by Mr. Farukh Merchant in 1995, Messung Systems Pvt Ltd (MSPL) is the sole distributor of Mitsubishi Electric Asia Pte Ltd's, Japan (MEAP's) factory automation (FA) products in India and a few other countries. MSPL's product profile includes programmable logic controllers, inverters, and servos. MSPL markets its products from its offices and through 40 agents (system integrators). It has eight offices, in Chennai, Hyderabad, Bengaluru, Delhi, Kanpur, Ahmedabad, Mumbai, and Baroda.

Recently, the ratings were placed on 'rating watch with developing implications' following the recent announcement made by MSPL and Mitsubishi Electric India Pvt Ltd (MEIPL) that the two companies have signed a business transfer agreement (BTA) wherein MSPL will transfer all its operations and business to MEIPL. The BTA also includes transfer of business of MSPL's group companies—Messung Systems, Messung Technologies Pvt Ltd, and Messung Sales and Services Pvt Ltd—to MEIPL. The agreement is expected to materialise in the first quarter of 2012-13.

Rating Strengths

- Established presence in FA products segment; presence across major industrial segments
- Healthy financial risk profile marked by negligible debt levels and strong debt protection measures

Rating Weaknesses

- Susceptibility of profitability to fluctuations in the yen-rupee currency rates
- Susceptibility of business to capital goods cycle in the country

Key Rating Sensitivity Factors

- Sole distribution arrangement for sales of FA products in India with MEAP
- Continued slowdown in end-user industries leading to pressure on revenue
- Capital expenditure and its funding pattern

Financial Performance

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	941	879	956
OPBDIT	134	160	312
PAT	105	77	213
Tangible Networth	860	772	745
Total Debt	1	-	7
OPBDIT Margins (%)	13.3	17.2	30.1
Net Profit Margins (%)	10.4	8.2	20.6
Interest cover (times)	-	4.10	128.76
NCA / Total Debt times)	107.11	-	25.47
Gearing (times)	0.00	-	0.01
Total Debt / PBDIT (times)	0.01	-	0.02

Metro Cash & Carry India Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
08/May/2009	A	-	A1	Stable
23/Apr/2009	A+	-	A1+	Negative
08/Aug/2008	A+	-	A1+	Stable

Company Background

Metro Cash and Carry India Pvt Ltd (MCCI) is a 100 per cent subsidiary of Metro Cash & Carry International GmbH, Germany, which is fully owned by Metro AG (rated 'BBB/Stable/A-2' by Standard & Poor's [S&P]), Germany. MCCI, established in 2001, commenced its commercial operations in October 2003 in India with registered office and headquarters in Bengaluru. MCCI is engaged in cash-and-carry wholesale trading and only has business-to-business dealings with customers such as hotels, restaurants, caterers, traders, and institutions. For 2009, it had a turnover of Rs.9.77 billion. The company currently operates five cash-and-carry wholesale centres in India: two in Bengaluru, and one each in Hyderabad, Mumbai, and Kolkata. Each distribution centre is similar in size and style and has a display and sales area of about 100,000 square feet. MCCI will open its sixth distribution centre at Hyderabad in October 2010.

Rating Strengths

- Continued strong operational and financial support from parent, Metro AG
- First-mover advantage in wholesale cash-and-carry operations

Rating Weakness

- Weak financial risk profile

Outlook: Stable

CRISIL believes that MCCI will continue to receive need-based support from Metro AG in the form of equity infusion for financing its losses and capital expenditure (capex). The outlook may be revised to 'Positive' in case of a significant and sustained improvement in MCCI's operating income and profitability leading to an improvement in its financial risk profile. Conversely, the outlook may be revised to 'Negative' if there is weakening in the credit risk profile of Metro AG or if there is a change in the support philosophy of Metro AG.

Key Rating Sensitivity Factors

- Changes in Metro AG's credit risk profile
- Extent of support from Metro AG
- Timely equity infusion to fund part of capital expenditure
- Operating profitability

Financial Performance

Rs. Million	31-Dec-10	31-Dec-09	31-Dec-08
Net Sales	12196	9772	7609
OPBDIT	(469)	(793)	(1346)
PAT	(1804)	(1098)	(1345)
Tangible Networth	5136	6945	8040
Total Debt	2527	1581	1474

OPBDIT Margins (%)	(3.8)	(8.1)	(17.6)
Net Profit Margins (%)	(14.8)	(11.2)	(17.6)
Interest cover (times)	(7.63)	(5.52)	(8.65)
NCA / Total Debt (times)	(0.63)	(0.56)	(0.81)
Gearing (times)	0.49	0.23	0.18
Total Debt / PBDIT (times)	(1.79)	(2.12)	(1.45)

Micro Finish Valves Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
27/Jan/2010	A	-	A1	Stable

Company Background

Micro Finish Valves Pvt Ltd (MVPL), incorporated in 1971, as a private limited company, specialises in various types of valves which find application across a variety of industries such as oil and gas, power, sugar, chemicals, fertilizers, and pharmaceuticals. It is promoted by the Vikamshi family based out of Hubli in Karnataka. MVPL provides a variety of valves such as ball, globe, and gate. It caters to a diverse customer profile across India ranging from government companies to large private players and international clients.

Rating Strengths

- Extensive experience of promoters in the business, and association with Flowserve Corporation, USA (Flowserve, rated 'BB+/Stable' by Standard & Poor's)
- Healthy demand outlook over the medium term
- Diverse product profile supported by strong operational capabilities
- Healthy financial risk profile

Rating Weakness

- Susceptibility of margins to volatility in raw material prices

Outlook: Stable

CRISIL believes that MVPL will benefit over the medium term from its established position in the valves industry, its product diversity, and its healthy order book; moreover, the company is expected to maintain its financial risk profile during this period, supported by low gearing and robust cash accruals. The outlook may be revised to 'Positive' if MVPL demonstrates significant improvement in scale of operations and profitability while maintaining or improving its capital structure. Conversely, the outlook may be revised to 'Negative' in case of lower-than-expected cash accruals because of significant slowdown in demand for MVPL's products from end user industries or a decline in the company's profitability margins.

Key Rating Sensitivity Factors

- Future capital expenditure and its funding pattern
- Future order book position and sustainability of the same
- Execution of projects without time and cost overruns
- Offtake levels and subsequent utilisation of expanded capacities

Financial Performance

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	852	838	550
OPBDIT	283	258	119
PAT	172	155	70
Tangible Networth	740	559	405
Total Debt	186	206	187

OPBDIT Margins (%)	31.9	29.9	20.8
Net Profit Margins (%)	19.3	18.0	12.3
Interest cover (times)	16.51	13.98	11.70
NCA / Total Debt (times)	1.06	0.84	0.44
Gearing (times)	0.25	0.37	0.46
Total Debt / PBDIT (times)	0.62	0.75	1.43

Mirc Electronics Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Negative
Rating History				
29/Feb/2012	A-		A2+	Negative
03/Dec/2010	A	-	A1	Stable
23/Mar/2009	A	-	A1	Negative
08/Sep/2008	A	-	A1	Stable

Company Background:

Mirc Electronics Ltd (Mirc), owned by the Mirchandani family, manufactures consumer durables, including colour televisions (CTVs), Digital Video Disc (DVD) players, air-conditioners (ACs), washing machines, microwave ovens, and mobile phones. The company markets its products primarily under the Onida brand; its other brand, Igo, is targeted at the rural markets. Mirc has manufacturing plants in Wada (Maharashtra), Noida (Uttar Pradesh), and Roorkee (Uttaranchal) for ACs and washing machines. It also has an assembly plant at Roorkee, with capacity of 3.9 million CTVs per annum.

Rating Strengths

- Established market position in consumer durables industry
- Diversified revenue profile
- Adequate capital structure

Rating Weaknesses

- Intense competition across product categories
- Susceptibility of operating margin to volatility in raw material prices

Outlook: Negative

CRISIL expects pressure on Mirc's financial risk profile over the medium term, because of lower-than-earlier-expected profitability and weakening in financial flexibility. The ratings may be downgraded in case Mirc's debt levels do not come down, there is no improvement in its profitability, or its debt-funded capex is larger-than-expected, leading to deterioration in its gearing and more-than-expected deterioration in debt protection metrics. Conversely, the outlook may be revised to 'Stable' if Mirc's financial risk profile improves, most likely driven by receipt of insurance proceeds for the Roorkee plant, or if the company sustains a higher-than-expected profitability, leading to improvement in cash flows and debt protection metrics.

Key Rating Sensitivity Factors

- Growth in operating income and ability to sustain profitability
- Maintaining market share along with profitability
- Efficiency in working capital management, and extent of debt incurred to fund working capital requirements
- Debt-funded capital expenditure

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	15,015	14,298	15,274
OPBDIT	575	554	873
PAT	184	90	346
Tangible Networth	2556	2,532	2,540
Total Debt	1336	2,241	1,996
OPBDIT Margins (%)	3.8	3.9	5.7
Net Profit Margins (%)	1.2	0.6	2.3
Interest cover (times)	3.33	1.97	3.78
NCA / Total Debt (times)	0.16	0.09	0.21
Gearing (times)	0.52	0.89	0.79
Total Debt / PBDIT (times)	NP	NP	NP

Mirza International Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
13/Sep/2011	A-		A2+	Stable

Company Background:

Incorporated in 1979, Mirza International Ltd (MIL) manufactures footwear and also has a tannery unit. The company became a public limited company in 1993-94 following a public issuance of shares. MIL's operations were established by Mr. Irshad Mirza, the current chairman. Mr. Mirza is considered a pioneer in the Indian leather industry. Currently, his sons and grandchildren also take active part in management of the company.

During 2010-11, MIL earned about 89 per cent of its revenues from the footwear segment and the rest from sales of finished leather from its tannery. While exports of footwear contributed about 74 per cent of its revenues, domestic sales of footwear contributed about 15 per cent and domestic sales of hides contributed about 12 per cent. Though MIL has recently ventured into the leather accessories and garments segment in the domestic market, contribution from this segment is negligible.

Under the footwear segment, MIL earns its revenues primarily through exports, wherein sales of footwear are undertaken under the customers' brand names. MIL's primary export market is the UK, which contributes the major portion of MIL's export revenues. Exports to the UK are primarily undertaken through an associate company, Mirza UK Ltd (Mirza UK). The company sells footwear in the domestic market under its own brands, Red Tape and Red Tape Gal. With regard to the leather segment, finished leather from the tannery is used for captive consumption and is also sold to related parties which, in turn, have their own dedicated footwear manufacturing facilities.

Rating Strengths

- Promoters' extensive experience in leather industry; established market position, with integrated operations
- Healthy financial risk profile

Rating Weaknesses

- Highly working-capital-intensive nature of business
- Geographical and customer concentration in revenue profile; vulnerability to fluctuations in foreign exchange rates

Outlook: Stable

CRISIL believes that MIL will continue to benefit from its promoters' extensive industry experience and its integrated operations, over the medium term. The outlook may be revised to 'Positive' if the company ramps up its revenues while maintaining its operating margin, leading to higher-than-expected cash accruals. Conversely, the outlook may be revised to 'Negative' in case of deterioration in MIL's financial risk profile, driven by larger-than-expected debt-funded capital expenditure (capex) or pressure on its revenues and profitability.

Key Rating Sensitivity Factors

- Working capital management
- Capex plans and their funding mix
- Diversification in customer base and ramp up in revenues

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	4,429	3,414	3,075
OPBDIT	844	533	340
PAT	392	188	54
Tangible Networth	1,785	1,445	1,183
Total Debt	2,392	1,819	2,045
OPBDIT Margins (%)	17.4	14.3	10.1
Net Profit Margins (%)	8.1	5.0	1.6
Interest cover (times)	5.09	3.79	2.32
NCA / Total Debt times)	0.20	0.14	0.07
Gearing (times)	1.34	1.26	1.73
Total Debt / PBDIT (times)	2.70	3.43	6.09

Moon Beverages Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
31/Jul/2010	A+		A1+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Moon Beverages Ltd (MBL), and its subsidiary, Hindustan Aqua Ltd (HAL).

MBL, one of the largest franchisee bottlers of Coca-Cola India Pvt Ltd (CCI), manufactures and distributes sparkling soft drinks (SSDs), also known as carbonated soft drinks (CSDs), and packaged drinking water. MBL was incorporated in 1987 by the MM Agarwal group of Kanpur. It is one of the largest franchisee bottlers for CCI. It initially operated as a franchisee bottler for Parle Soft Drinks Ltd (Parle). Currently, MBL has the exclusive bottling and distribution franchise of CCI, covering one-third of the Delhi and the National Capital Region (NCR) areas for the CSD line, and the sole distributorship right for the entire Delhi and NCR area for the packaged drinking water (Kinley).

Also, MBL has the first-of-its-kind co-pack arrangement (MBL gets a fixed co-pack fee for its production with a minimum committed volume) in India with Coca-Cola Inc under its wholly owned subsidiary, HAL. MBL owns a sizeable land bank (besides its plant area) which has been acquired out of the surplus money generated over the past two years.

Rating Strengths

- Strong financial risk profile
- Exclusive franchise agreement with CCI, providing stability to revenues and profitability
- Healthy operating efficiencies due to presence in both returnable glass bottle (RGB) and polyethylene terephthalate (PET) bottle segments

Rating Weaknesses

- Limited avenues for revenue growth because of geographical restriction
- High vulnerability to government regulations

Outlook:Stable

CRISIL believes that MBL will maintain its healthy financial risk profile and stable market position over the medium term backed by its exclusive franchisee agreement with CCI. The outlook may be revised to 'Positive' if MBL expands its franchisee territory while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' if MBL's financial risk profile deteriorates considerably because of any large debt-funded acquisition, or significant funding support to associate companies.

Key Rating Sensitivity Factors

- Any support to group companies or investment in unrelated areas
- Continued maintenance of fixed deposits
- Capital expenditure and its funding mix
- Adverse regulatory changes

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1762	1756	1240
OPBDIT	350	392	334
PAT	46	58	71
Tangible Networth	844	660	509
Total Debt	252	398	353

OPBDIT Margins (%)	19.8	22.1	25.0
Net Profit Margins (%)	2.6	3.3	5.3
Interest cover (times)	14.43	15.79	7.97
NCA / Total Debt (times)	1.29	1.00	0.83
Gearing (times)	0.30	0.60	0.69
Total Debt / PBDIT (times)	0.67	0.87	0.96

Mrs. Bector's Food Specialities Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
07/ Oct/2011	A-	-	A2+	Stable
19/ Jun/2009	BBB+	-	A2	Stable

Company Background

Mrs. Rajni Bector set up Mrs. Bector's Food Specialities Ltd (Bector) as a joint venture (JV) with Quaker Oats, USA (now a subsidiary of PepsiCo Inc) to supply buns, batter, and breading to McDonald's Corporation (McDonalds). Quarter Oats withdrew from the JV in 1999; however, Bector continues to be the sole supplier of buns, packaged ketchup, and other condiments to McDonald's. In 2006-07, Bector bought over the assets of group company, Cremica Agro Foods Ltd, which was engaged in manufacturing biscuits and buns, in a slump sale. Since then, Bector has been manufacturing and marketing biscuits, breads, sauces, spread, namkeens, and ready-to-eat curries for both institutional and retail clients under the Cremica brand. Bector derives close to 80 per cent of its revenue from its biscuit and bakery division while sauces, spreads and namkeen account for the remainder of the revenues.

Its customers include the Indian Army (biscuits), Indian Railways (biscuits, packaged sauce), World Food Programme (biscuits), Jet Airways Ltd, International Hotels (India) Ltd (Taj Hotels), and Café Coffee Day. The company also has a long-term agreement with ITC Ltd and Kraft Foods Inc. for contract manufacturing biscuits and chocolate toppings, respectively. It also supplies breads and other bakery products to modern retail chains such as 'Easy Day' and amongst others.

Rating Strengths

- Improving financial risk profile
- Comfortable regional presence in biscuits segment, and established relationships with large institutional players in sauces segment

Rating Weaknesses

- Moderate scale of operations in the intensely competitive biscuit industry
- Susceptibility to increase in raw material prices and volatility in foreign exchange rates

Outlook: Stable

CRISIL believes that Bector will expand its business on the strength of its established brand image, which will lead to rapid revenue growth in both the biscuits and sauce segments, over the medium term. The outlook may be revised to 'Positive' if Bector reports a significant improvement in its operating income and profitability while maintaining its healthy capital structure. Conversely, the outlook may be revised to 'Negative' if Bector's capital structure deteriorates, most likely driven by larger-than-expected, debt-funded capital expenditure (capex) plans.

Key Rating Sensitivity Factors

- Capex plans, and their funding mix
- Ability to maintain healthy revenue growth and operating margin

Financial Performance

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3,574	3,163	2,224
OPBDIT	280	238	194
PAT	59	35	69
Tangible Networth	979	922	861
Total Debt	1,195	1,156	690
OPBDIT Margins (%)	7.4	7.0	8.1
Net Profit Margins (%)	1.6	1.0	2.9
Interest cover (times)	2.89	2.19	4.47
NCA / Total Debt times)	0.12	0.08	0.17
Gearing (times)	1.22	1.25	0.80
Total Debt / PBDIT (times)	4.33	4.78	3.62

MSS India Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
20/Jan/2012	A-		A2+	Stable
26/Dec/2008	BBB+*		A2	

**Initial Bank loan rating assigned*

Company Background:

MSS India Private Limited (MSS India) is part of the UK-based MSS group. MSS India manufactures electrical components, battery components and DC bus bar systems and has its manufacturing facilities in Nasik (Maharashtra). The company is a wholly owned subsidiary of Bryden Properties Ltd, UK (Bryden), which is the MSS group's holding company. MSS India bought over the entire DC bus bar manufacturing business of the group, which was earlier being done under GCESL, for a consideration of Rs.35 million in 2010-11.

The MSS group is privately owned and is headquartered in Manchester, UK. The group has presence in markets including Europe, China, Dubai and South Africa. The group is one of the world's largest manufacturers of bolted cell-pillars for use in both BS and DIN standard traction cells. The manufacturing bases of the group are in Chile, South Africa and India. As part of its forward integration and diversification initiative, Bryden (MSS group's holding company) set up MSS India to benefit from India's cost competitiveness; MSS India is the largest manufacturing base of the group.

Rating Strengths

- Healthy financial risk profile
- Established relationships with reputed clients and diversified product base
- Operating and marketing support from parent, Bryden

Rating Weakness

- Modest scale of operations, and geographic concentration in revenue profile

Outlook: Stable

CRISIL believes that MSS India will maintain its established market position in the electrical component industry, supported by its established relationships with customers, and operating and marketing support it receives from Bryden. The outlook may be revised to 'Positive' if there is a substantial and sustained improvement in MSS India's revenues, while the company maintains its profit margins, or there is an improvement in its working capital management. Conversely, the outlook may be revised to 'Negative' if there is there is a steep decline in the company's profit margins from the current levels, or there is significant deterioration in its capital structure, most likely caused by larger-than-expected working capital requirements or debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Capex plans and their funding pattern
- Sustenance of profitability margins, amid volatile raw material prices
- Working capital management

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	763	567	513
OPBDIT	151	59	71
PAT	80	31	48
Tangible Networth	369	323	292
Total Debt	61	94	116

OPBDIT Margins (%)	19.4	10.4	13.7
Net Profit Margins (%)	10.3	5.5	9.3
Interest cover (times)	18.69	9.37	7.51
NCA / Total Debt times)	1.59	0.43	0.48
Gearing (times)	0.17	0.29	0.40
Total Debt / PBDIT (times)	0.41	1.50	1.64

MTAR TECHNOLOGIES PRIVATE LIMITED

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
14/ Nov/2011	A		A1	Stable
29/ May/2009	A+		A1	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of MTAR Technologies Pvt Ltd (MTAR), Montage Manufacturers (MM), Metal Treatment Systems (MTS), and Modular Tools Pvt Ltd (MTPL); this is because MM, MTS, and MTPL are expected to be merged into MTAR in 2011-12.

MTAR was incorporated in 1970 by Mr. P Ravindra Reddy, Mr. K Satyanarayana Reddy, and Mr. P Jayprakash Reddy. MTAR, an ISO 9001-2000-certified company, is engaged in precision engineering. The company manufactures precision machined parts and major equipment for Indian Space Research Organisation (ISRO), Department of Atomic Energy (DAE), defence, and Nuclear Power Corporation of India Ltd (rated 'CRISIL AAA/Stable'). MTAR operates through its three group companies, namely MTPL, MM, and MTS. The company currently has four manufacturing units at Balanagar in Hyderabad (Andhra Pradesh).

Rating Strengths

- Established relationships with customers, backed by strong operational efficiencies
- Strong financial risk profile, marked by low gearing and healthy debt protection indicators

Rating Weaknesses

- Exposure to risks related to customer concentration in revenues and the tender-based business
- Working-capital intensive operations

Outlook: Stable

CRISIL believes that MTAR will maintain its market position on the back of its strong relationships with customers, and healthy order book position. The outlook may be revised to 'Positive' if MTAR increases its revenues and profitability significantly while maintaining its capital structure. Conversely, the outlook may be revised to 'Negative' if the company undertakes larger than expected debt-funded capital expenditure (capex) programme or is faced with a further decline in operating margin.

Key Rating Sensitivity Factors

- Significant revenue growth in nuclear reactor industry and multinational corporation business
- Working capital management
- Significant diversification of revenues
- Extent of debt-funded capex

Financial Performance

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	947	937	432
OPBDIT	218	245	203
PAT	43	179	117
Tangible Networth	2079	2,047	1,987
Total Debt	158	164	231
OPBDIT Margins (%)	19.7	26.1	47.0
Net Profit Margins (%)	3.9	19.1	27.1
Interest cover (times)	12.45	10.01	6.82
NCA / Total Debt (times)	0.57	1.30	0.63
Gearing (times)	0.08	0.08	0.12
Total Debt / PBDIT (times)	0.68	0.52	1.01

Mumbai Waste Management Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
28/Nov/2011	A**	-	-	Stable

*** Initial Bank loan rating assigned*

Company Background:

For arriving at its rating, CRISIL has combined the business and financial risk profiles of Mumbai Waste Management Ltd (MWML, part of the Ramky Enviro group), with those of Ramky Enviro Engineers Ltd (REEL; has a share of 74 per cent in MWML) and its 26 other subsidiaries, as MWML has extended corporate guarantee to REEL to the extent of Rs.4100 million, which in turn, has extended corporate guarantees to its subsidiaries.

Ramky Enviro, set up in 1994 by Mr. Alla Ayodhya Rami Reddy, began operations as a liaison agent between companies seeking environment clearance and the pollution control boards. Gradually, it expanded operations into setting up waste treatment plants. Ramky Enviro set up India's first biomedical and hazardous waste management (BWM and HWM) facilities. The group now owns 15 BWM facilities, 14 HWM facilities, and manages municipal solid waste (MSW) at 14 locations. The group is currently setting up MSW management facilities at 5 other locations.

Rating Strengths

- Robust market position: pioneer in waste management in India
- Healthy financial risk profile

Rating Weaknesses

- Exposure to risks related to large capital expenditure (capex) plans, especially for venture into waste-to-energy (WTE) projects
- Susceptibility to risks related to highly regulated nature of waste management business and unfavourable changes in government policies

Outlook:Stable

CRISIL believes that the Ramky Enviro group will maintain its business risk profile over the medium term on the back of its experience in waste management. CRISIL also believes that the group will maintain its financial risk profile during this period, despite its large capex, supported by healthy cash accruals. The outlook may be revised to 'Positive' if the group achieves more-than-expected improvement in its operating revenues and profitability and successfully implements its WTE projects. Conversely, the outlook may be revised to 'Negative' if the group undertakes larger-than-expected debt-funded capital expenditure (capex) programme or witnesses delays in implementing its WTE projects.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Adverse change in government policy
- Success of WTE projects

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	4,000	2,670	1,620
OPBDIT	1,172	838	530
PAT	524	356	129
Tangible Networth	3,422	2,882	736
Total Debt	2,063	1,617	1,768
OPBDIT Margins (%)	29.3	31.3	32.6
Net Profit Margins (%)	13.1	13.3	7.9
Interest cover (times)	4.38	4.34	2.17
NCA / Total Debt (times)	0.38	0.35	0.16
Gearing (times)	0.60	0.56	2.40
Total Debt / PBDIT (times)	1.75	1.92	3.31

Muthoot Capital Services Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
20/Dec/2010	A+	-	A1+	Stable
04/Nov/2010	A+	-	-	Stable
15/Oct/2009	A	-	-	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Muthoot Fincorp Ltd (MFL) and Muthoot Capital Services Ltd (MCSL), together known as the MFL-MCSL combine. Both companies are controlled by the Muthoot Pappachan group and are in the same line of business. MCSL, established in 1994, started with financing against gold, and offering two-wheelers and business loans later. Established in 1997, MFL is a non-deposit-taking, systemically important non-banking financial company. MFL is the flagship company of the Muthoot Pappachan group, which is also into hospitality, real estate, and power generation. MFL also distributes mutual funds, and general and life insurance products, and is also present in the money-transfer business. The combine has 1400 branches, most of which are in South India. The Muthoot Pappachan group enjoys a strong reputation in Kerala and Tamil Nadu.

Rating Strengths

- Rich experience of promoters in financing against gold
- Strong asset quality
- Good earnings profile

Rating Weaknesses

- Susceptibility to changing regulatory and to legislative framework
- Geographic and product concentration
- High dependence on bank finance reflecting limited diversity in financing business

Outlook: Stable

CRISIL believes that the MFL-MCSL combine will continue to increase its loans portfolio and maintain its strong asset quality and earnings profile, over the medium term. The outlook may be revised to 'Positive' if the combine improves its competitive position significantly, while maintaining its asset quality and earnings profile. Conversely, the outlook may be revised to 'Negative' in case of a material decline in the combine's asset quality or capitalisation.

Key Rating Sensitivity Factors

- Significant improvement in competitive position in financing business
- Changes in earnings, asset quality, and capitalisation
- Changes in regulatory and statutory environment
- Business risk emanating from new ventures

Financial Performance (MFL)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Total Income	8100	4472	2156
Reported PAT	2080	1118	319
Total Assets	42630	19005	9509
Networth	5241	2711	1593
PAT / Ave. Networth (%)	52.3	52.0	22.2
PAT / Ave. Total Assets (%)	6.7	7.8	3.8
Overall Capital Adequacy Ratio (%)	18.9	22.9	24.2
Gearing (times)	6.8	5.4	3.7

Financial Performance (MCSL)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Total Income	377	225	174
Reported PAT	97	72	54
Total Assets	1755	1140	760
Networth	288	214	172
PAT / Ave. Networth (%)	38.6	37.2	36.9
PAT / Ave. Total Assets (%)	6.7	7.6	8.7
Gearing (times)	4.9	3.7	3.0

Muthoot Fincorp Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
16/Jul/2010	A+	-	A1+	Stable
15/Oct/2009	A	-	A1	Stable
12/Sep/2008	A-	-	A1	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Muthoot Fincorp Ltd (MFL) and Muthoot Capital Services Ltd (MCSL), together known as the MFL-MCSL combine. Both companies are controlled by the Muthoot Pappachan group and are in the same line of business. MCSL, established in 1994, started with financing against gold, and offering two-wheelers and business loans later. Established in 1997, MFL is a non-deposit-taking, systemically important non-banking finance company. MFL is the flagship company of the Muthoot Pappachan group, which is also into hospitality, real estate, and power generation. MFL also distributes mutual funds, and general and life insurance products, and is also present in the money-transfer business. The combine has 1400 branches, most of which are in South India. The Muthoot Pappachan group enjoys a strong reputation in Kerala and Tamil Nadu.

Rating Strengths

- Rich experience of promoters in financing against gold
- Strong asset quality
- Healthy earnings profile

Rating Weaknesses

- Susceptibility to changing regulatory and to legislative framework
- Geographic and product concentration
- High dependence on bank finance reflecting limited diversity in financing business

Outlook: Stable

CRISIL believes that the MFL-MCSL combine will maintain its growth and strong asset quality and earnings profile, over the long term. The outlook may be revised to 'Positive' if the combine improves its market competitiveness significantly, without weakening its capitalisation, asset quality, or earnings profile. Conversely, the outlook may be revised to 'Negative' in case of a steep decline in the combine's asset quality or capitalisation.

Key Rating Sensitivity Factors

- Significant improvement in competitive position in financing business
- Changes in earnings, asset quality, and capitalisation
- Changes in regulatory and statutory environment
- Business risk emanating from new ventures

Financial Performance (MFL)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Total Income	8100	4472	2156
Reported PAT	2080	1118	319
Total Assets	42630	19005	9509
Networth	5241	2711	1593

PAT / Ave. Networth (%)	52.3	52.0	22.2
PAT / Ave. Total Assets (%)	6.7	7.8	3.8
Overall Capital Adequacy Ratio (%)	18.9	22.9	24.2
Gearing (times)	6.8	5.4	3.7

Financial Performance (MCSL)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Total Income	377	225	174
Reported PAT	97	72	54
Total Assets	1755	1140	760
Networth	288	214	172

PAT / Ave. Networth (%)	38.6	37.2	36.9
PAT / Ave. Total Assets (%)	6.7	7.6	8.7
Gearing (times)	4.9	3.7	3.0

Mutual Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
29/Jul/2010	A	-	-	Stable

Company Background

Mutual Industries Ltd (MIL), set up in 1990 as a public limited company, manufactures plastic-moulded components, moulds, and mouldings. MIL is one of the leading players in the custom moulding of engineering plastics in India. Its product portfolio consists of a variety of moulds and plastic components used in automobiles, electronics, and consumer durables. Its customer base includes major automobile companies such as Tata Motors Ltd (rated 'CRISIL AA-/Stable/CRISIL A1+') and Mahindra and Mahindra ('CRISIL AA+/Stable/CRISIL A1+'), Volkswagen and major tier-1 automobile component companies such as Tata Auto Comp Systems Ltd ('CRISIL AA-/Stable/CRISIL A1+'). MIL is promoted by Mr. Dharmendra Gandhi and his family members, which also include Mr. Apurva Gandhi, Mr. Harin Gandhi and Drumil Gandhi.

Rating Strengths

- Promoters' extensive experience in automobile component industry
- Diversified product portfolio supported by strong operational efficiency

Rating Weakness

- Customer concentration in revenue profile

Outlook: Stable

CRISIL believes that MIL will continue to benefit from its established position in the automobile component industry. The outlook may be revised to 'Positive' if MIL reports better-than expected growth in revenues, profitability and net cash accruals, while diversifying its clientele base and improving in its debt protection metrics. Conversely, the outlook may be revised to 'Negative' if the company's financial risk profile deteriorates due to lower profitability margin resulting from significant increase in raw material prices or lesser-than-expected offtake of its products.

Key Rating Sensitivity Factors

- Future capital expenditure and its funding mix
- Offtake and utilisation of expanded capacity
- Diversification of clientele and end-user industry base
- Operating performance and working capital management

Financial Performance

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1,528	1,287	1,643
OPBDIT	311	288	391
PAT	61	33	189
Tangible Networth	865	819	783
Total Debt	1,066	1,176	1,057
OPBDIT Margins (%)	19.9	21.8	23.4
Net Profit Margins (%)	3.9	2.5	11.3
Interest cover (times)	3.49	2.27	8.97
NCA / Total Debt times)	0.19	0.14	0.25
Gearing (times)	1.23	1.44	1.35
Total Debt / PBDIT (times)	3.24	4.05	2.45

Nahar Spinning Mills Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A		A1	Stable
Rating History				
19/Dec/2011	A		A1	Stable
18/Nov/2010	A+		A1+	Stable
15/Dec/2009	A		A1	Stable
07/Nov/2008	A		A1	Negative
19/May/2008	A+		A1+	Stable
31/Jan/2007			A1+	Removed from Watch with Developing Implications
31/Mar/2006			A1+	Place on Rating Watch with developing implications

Company Background:

The Nahar group was set up in 1949 (refers to calendar year). In 2006-07, the group consolidated its textile business by transferring the textile business of Nahar Exports Ltd to Nahar Spinning Mills Ltd (Nahar Spinning). Further, it consolidated the entire investments of the group under a separate company, Nahar Capital & Financial Services Ltd. Nahar Spinning has a garment-export unit in Ludhiana (Punjab), and spinning units in Jalalpur, Lalru, Jodhan, Jitwal Kalan (near Malerkotla) (all in Punjab) and Mandideep (Madhya Pradesh). The group produces both grey and value-added yarn, and has forward integrated into the manufacture of knitted garments.

Rating Strengths

- Healthy market position in cotton yarn and knitted garment industries
- Integrated and large-scale operations, resulting in operating efficiencies

Rating Weaknesses

- Modest export demand for apparel and yarn
- Average financial risk profile

Outlook: Stable

CRISIL believes that Nahar Spinning will continue to benefit over the medium term from its established market position. The company's capital structure is expected to be supported by deferment of its earlier planned capital expenditure (capex). The outlook may be revised to 'Positive' if Nahar Spinning improves its profitability and increases its cash accruals on a sustained basis, thereby improving its financial risk profile. Conversely, the outlook may be revised to 'Negative' if the company undertakes a larger-than-expected, debt-funded capex programme or reports lower-than-expected profitability, thereby further adversely affecting its capital structure or debt protection metrics.

Key Rating Sensitivity Factors

- Management of input price risks
- Fluctuations in rupee value against US Dollar
- Changes in global retail landscape for apparel and home textiles
- Availability of financial support from group companies
- Fresh capex, its funding mix, and its impact on capital structure

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	9,780	9,609	8,804
OPBDIT	1,893	893	1,246
PAT	535	(166)	120
Tangible Networth	5,545	5,074	5,254
Total Debt	8,559	6,408	8,272

OPBDIT Margins (%)	17.1	8.9	13.6
Net Profit Margins (%)	4.8	-1.7	1.3
Interest cover (times)	4.35	2.25	4.07
NCA / Total Debt (times)	0.14	0.09	0.10
Gearing (times)	1.54	1.26	1.57
Total Debt / PBDIT (times)	4.38	6.89	6.45

Namdhari Farm Fresh Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
26/ Oct/2009	A-	-	-	Stable

Company Background:

For arriving at its rating, CRISIL has combined the business and financial risk profiles of Namdhari Seeds Pvt Ltd (NSPL) and Namdhari Farm Fresh Pvt Ltd (NFFPL), together referred to as the Namdhari group, herein. The Bengaluru (Karnataka)-based Namdhari group has been promoted by Mr. Uday Singh. Set up in 1985, NSPL is the group's flagship company; it trades in fruit, flower, and vegetable seeds. In 2007-08, the group ventured into institutional sales and export of fruits and vegetables (under NFFPL), and the retailing of food products, and fruits and vegetables (under Namdhari Agro Fresh Pvt Ltd). The Namdhari group has farm land in Ooty (Tamil Nadu) and in some parts of Karnataka.

Rating Strengths

- Established market position and strong track record in agricultural seeds business
- Healthy financial risk profile

Rating Weaknesses

- Exposure to risks related to commodity nature of agriculture-based products
- Vulnerability to volatility in export demand and foreign exchange rates

Outlook: Stable

CRISIL believes that the Namdhari group will continue to benefit over the medium term from its healthy position in the vegetable/fruit seeds industry. The outlook may be revised to 'Positive' if the group diversifies its product profile and further improves its scale of operations and market share significantly, while maintaining its profitability margins. Conversely, the outlook may be revised to 'Negative' if the Namdhari group extends substantial support to weaker associate entities, reports steep decline in its revenues, or undertakes a large, debt-funded capital expenditure (capex) programme.

Key Rating Sensitivity Factors

- Increase in support to group companies
- Diversification into other businesses
- Capex plans and their funding mix

Financial Performance (Consolidated)

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1,338	1,219	1,058
OPBDIT	190	126	119
PAT	142	86	81
Tangible Networth	981	856	775
Total Debt	139	210	202

OPBDIT Margins (%)	13.9	10.1	11.1
Net Profit Margins (%)	10.4	7.0	7.6
Interest cover (times)	14.11	7.30	13.17
NCA / Total Debt times)	1.26	0.51	0.38
Gearing (times)	0.14	0.25	0.26
Total Debt / PBDIT (times)	0.72	1.56	1.66

Namdhari Seeds Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
27/Oct/2009	A-	-	-	Stable

Company Background:

For arriving at its rating, CRISIL has combined the business and financial risk profiles of Namdhari Seeds Pvt Ltd (NSPL) and Namdhari Farm Fresh Pvt Ltd (NFFPL), collectively referred to as the Namdhari group.

The Bengaluru-based Namdhari group is promoted by Mr. Uday Singh. Set up in 1985, NSPL is the Namdhari group's flagship company; it trades in fruit, flower, and vegetable seeds. In 2007-08 (refers to financial year, April 1 to March 31), the group ventured into the institutional sale and export of exotic fruits and vegetables (under NFFPL), and into the retailing of food products, and fruits and vegetables (under Namdhari Agro Fresh Pvt Ltd). The group has farm land in Ooty and in some other parts of Karnataka. SJS Holdings Ltd (SJS Holdings), an associate company, operates the SPS Apollo hospital in Ludhiana.

Rating Strengths

- Established market position and strong track record
- Healthy financial risk profile

Rating Weaknesses

- Exposure to risks related to commodity nature of agriculture-based products
- Vulnerability to volatility in export demand and foreign exchange rates

Outlook: Stable

CRISIL believes that the Namdhari group will maintain its stable credit risk profile over the medium term on the back of its healthy position in the vegetable/fruit seeds industry. The outlook may be revised to 'Positive' if the group's revenues and margins increase substantially, resulting in an improvement in its financial risk profile. Conversely, the outlook may be revised to 'Negative' if the group extends substantial support to weaker group companies, there is a steep decline in revenues, or if the group undertakes large, debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Increase in support to group companies
- Diversification into other businesses
- Capex plans and their funding mix

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1338	1219	1058
OPBDIT	190	126	119
PAT	142	86	81
Tangible Networth	981	856	775
Total Debt	139	210	202
OPBDIT Margins (%)	13.9	10.1	11.1
Net Profit Margins (%)	10.4	7.0	7.6
Interest cover (times)	14.11	7.30	13.17
NCA / Total Debt (times)	1.26	0.51	0.35
Gearing (times)	0.14	0.25	0.26
Total Debt / PBDIT (times)	0.72	1.56	1.79

Nash Industries

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
17/Mar/2011	A-	-	A2+	Stable
04/Nov/2008	BBB+	-	A2	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Nash Industries (Nash) and its group entities, Nash Products, Secop Industries, Precision Products, JPT Electronics Pvt Ltd, and CMW Pressings. All the entities are collectively referred to as the Nash group.

Nash was established as a partnership firm in 2001 by Mr. Shyam S Wadhwa, Mr. S R Wadhwa, and Mr. Rajesh Chabria. In 2006, Mr. Rajesh Chabria retired as a partner. The firm is part of the Nash group promoted by Mr. Shyam S Wadhwa (father of Mr. Sanjay S Wadhwa). The group commenced operations by establishing Nash Products in 1971. The Nash group manufacturers engineering assemblies and precision parts for aerospace, automotive, Automated Teller Machine (ATMs), alternative energy, power protection, electrical and other industries. The firm exports its products to more than 10 countries across the world. The group has six manufacturing facilities in Bangalore, which includes an export-oriented unit, one in Pondicherry and another in Chennai, which commenced operations in February 2009.

Rating Strengths

- Strong financial risk profile
- Moderate business risk profile, supported by vast experience of promoters and established market position in sheet metal component segment

Rating Weaknesses

- Customer concentration risk
- Partnership nature of business, and fragmented industry
- Volatility in raw material prices

Outlook: Stable

CRISIL believes that the Nash group will benefit over the medium term from its established relationships with key customers, leading to healthy demand for its products. The outlook may be revised to 'Positive' in case the group reports substantial increase in its scale of operations with improvement in its margins and diversification in its clientele. Conversely, the outlook may be revised to 'Negative' in case the Nash group faces pressure on margins due to its inability to pass on increases in raw material prices to customers or if the group contracts more-than-expected debt for its capital expenditure (capex) plans or if it faces sharp decline in its order book.

Key Rating Sensitivity Factors

- Degree of volatility in prices of raw materials
- Slowdown in end-user industries
- Unexpected debt-funded capex

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1,612	1,259	1,128
OPBDIT	261	222	161
PAT	202	88	140
Tangible Networth	565	428	301
Total Debt	340	318	216

OPBDIT Margins (%)	16.0	17.1	14.2
Net Profit Margins (%)	12.4	6.7	12.3
Interest cover (times)	7.81	6.45	7.01
NCA / Total Debt (times)	0.47	0.42	0.71
Gearing (times)	0.60	0.74	0.72
Total Debt / PBDIT (times)	1.34	1.39	0.95

Nava Bharat Ventures Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
27/Jan/2011	A+	-	A1+*	Stable
13/Jan/2010	A+	-	A1+	Stable
01/Aug/2008	A+	-	A1	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Nava Bharat Ventures Limited (NBVL) and Nava Bharat Singapore Pte Ltd (NBSPL), a wholly owned subsidiary of NBVL, together referred as the NBVL group. CRISIL has not combined the business and financial risk profiles of NBVL and other subsidiaries as they are moderately integrated and CRISIL has only factored the equity contribution required under various special purpose vehicles (SPVs). These subsidiaries/ SPVs include Brahmani Infratech Pvt Ltd, Kinnera Power Company Ltd, Nava Bharat Realty Ltd, Nava Bharat Projects Ltd (NBPL), Nava Bharat Energy India Ltd, and Nava Bharat Sugar and Bio Fuels Ltd.

NBVL, incorporated in 1972, began operations in 1975 with a small ferrosilicon manufacturing unit at Paloncha, Andhra Pradesh. In 1980, it ventured into sugar manufacturing, with the amalgamation of The Deccan Sugar and Abkhari Co Ltd, an EID Parry company. In 1997, it set up a second ferroalloy unit in Orissa. The company also ventured into power generation as backward integration for its highly power-intensive ferroalloy business. The company was promoted by Dr. D Subba Rao and is presently managed by his son, Mr. D Ashok and son-in-law, Mr. P T Prasad. The company has three main business divisions: ferroalloys, power, and sugar. The company has an installed ferroalloy capacity of 200,000 metric tonne per annum, power capacity of 237 mega watt (MW) and sugarcane crushing capacity of 3,500 tonnes per day. NBSPL was incorporated in 2004 to export NBVL's ferroalloy products, and later, became the holding company for the group's overseas expansions. NBSPL has recently acquired 65 per cent of Maamba Collieries Ltd in Zambia.

Rating Strengths

- Diversified business profile
- Healthy financial risk profile

Rating Weaknesses

- Exposure to cyclicality and regulatory risks in ferro alloy and sugar industries
- Exposure to risks associated with time and cost overruns in projects being executed by SPVs

Outlook: Stable

CRISIL believes that the NBVL group will maintain its healthy financial risk profile and strong liquidity on the back of healthy cash accruals from the power business. The outlook may be revised to 'Positive' if the NBVL group strengthens its business risk profile through contributions from its various business divisions, while maintaining its profitability. Conversely, any additional, large debt-funded capital expenditure (capex), acquisitions, or investments, leading to deterioration in the group's financial risk profile, or significant slowdown in business divisions, leading to deterioration in business risk profile, may lead to a revision in outlook to 'Negative'.

Key Rating Sensitivity Factors

- Significant debt-funded capex
- Any large debt-funded equity infusion in any subsidiary or associate company

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	11678	12749	9006
OPBDIT	4920	6362	4215
PAT	5012	4567	3141
Tangible Networth	16492	11737	8095
Total Debt	3938	4313	3993

OPBDIT Margins (%)	41.6	49.4	45.8
Net Profit Margins (%)	42.3	35.4	34.1
Interest cover (times)	38.00	12.10	13.50
NCA / Total Debt (times)	1.20	0.99	0.72
Gearing (times)	0.24	0.37	0.49
Total Debt / PBDIT (times)	0.69	0.74	0.93

NCC Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Negative
Rating History				
28/Dec/2011	A+	-	A1	Negative
27/Jul/2011	AA-	-	A1+	Negative
02/Apr/2008	AA-**	-	A1+**	Stable

***Initial bank loan ratings assigned*

Company Background

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of NCC Ltd (NCC) with those of NCC's subsidiaries, NCC Urban Infrastructure Ltd (NCC Urban; rated 'CRISIL D'), NCC Vizag Urban Infrastructure Ltd (NCC Vizag), Nagarjuna Contracting Company LLC, and NCC International LLC. The entities are collectively referred to as the NCC group. CRISIL has, however, not combined the business and financial risk profiles of the NCC group's project special purpose vehicles (SPVs) implementing infrastructure developmental projects, as the project debt is non-recourse in nature and because of the management's stated posture of not extending support to these SPVs. CRISIL has factored in the NCC group's support for funding the equity component of the investment in these project SPVs, in addition to support for funding cost overruns.

NCC, set up by Mr. A V S Raju in 1978, provides construction services in diverse segments including building and factories, transportation, water and environment, electrical installations, irrigation, and power. The company has several joint ventures (JVs) with Indian and overseas construction companies for infrastructure development and civil construction projects. NCC Urban and NCC Vizag are executing real estate projects in India while Nagarjuna Contracting Company LLC and NCC International LLC are engaged in construction activities in Dubai and Oman, respectively.

Rating Strengths

- Established market position in diverse construction segments
- Healthy order book and limited exposure to fixed-price contracts

Rating Weaknesses

- Average financial risk profile
- Risks arising from exposure to infrastructure developmental and real estate projects

Outlook: Negative

CRISIL believes that the NCC group's financial risk profile will be under pressure over the medium term because of stretched working capital cycle, high interest cost, and a weak operating environment. The ratings may be downgraded if the group reports further deterioration in its capital structure, weaker-than-expected operating performance over the medium term, or more-than-expected support for funding either the infrastructure development projects or realty projects without commensurate infusion of fresh equity into the group. Conversely, the outlook may be revised to 'Stable' if the NCC group corrects its capital structure and also reduces its reliance on short-term debt or if there is significant improvement in its operating performance.

Key Rating Sensitivity Factors

- Timely refinancing of short-term loans
- Timeframe and extent of fructifying NCC's plans to monetise its investments in SPVs
- Higher-than-expected further investment in developmental or realty projects without commensurate infusion of fresh equity in NCC

Financial Performance (Standalone)

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	49554	46473	40520
OPBDIT	4939	4887	3786
PAT	1627	2264	1539
Tangible Networth	23779	22449	16845
Total Debt	27573	17698	14770
OPBDIT Margins (%)	10.0	10.5	9.3
Net Profit Margins (%)	3.3	4.9	3.8
Interest cover (times)	2.28	3.02	2.74
NCA / Total Debt (times)	0.07	0.14	0.12
Gearing (times)	1.16	0.79	0.88
Total Debt / PBDIT (times)	4.70	2.99	3.33

NED Energy Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
17/ Feb /2009	A	-	A1	Stable

Company Background:

For arriving at its rating, CRISIL has combined the business and financial risk profiles of NED Energy Ltd (NED), and its subsidiaries, Gulf Powerbeat WLL (GPW), Bahrain, and Power Build Batteries Ltd (Power Build), Bangalore. CRISIL has also factored in the managerial and financial support available to NED from parent, Time Technoplast Ltd (Time; rated 'CRISIL AA-/Stable/CRISIL A1+'), which directly or indirectly holds 74 per cent equity in NED.

Set up in 1998 by Mr. N Gautam Reddy and Mr. S A Gaffoor, Hyderabad-based NED manufactures valve-regulated lead–acid battery (VRLA) batteries for the telecommunication industry. In October 2007, Time acquired 71.48 per cent of NED; the holding was subsequently increased to 74.00 per cent. Mr. Reddy and Mr. Gaffoor own 23.00 per cent and 3.00 per cent, respectively, of NED. In December 2007, NED acquired GPW, Bahrain, which has capacity to manufacture vital battery components, such as grids and components up to 250 million ampere hours (mAhr) and automotive batteries up to 150 mAhr. Currently, NED has two manufacturing units in Hyderabad and Panoli, with a combined installed capacity of about 300 mAhr per year. NED also acquired a 60 per cent stake in Power Build Batteries Pvt Ltd (Powerbuild), a Bangalore-based firm manufacturing solar and inverter batteries. The acquisition was for a total consideration of Rs.60 million. Powerbuild caters mainly to the inverter battery segment, which includes players like Su-Kam Power Systems Ltd. Powerbuild has a top line of Rs.180 million. Post acquisition, the management's plan is to expand capacities, and work towards cost cutting.

NED has been accredited with ISO 9001:2000 and ISO 14001:2004 for quality and environmental standards, and its products have been approved by the Department of Telecommunications, Government of India. NED supplies batteries to carrier–owned, (primarily Indus Towers Ltd and Bharati Airtel Ltd) and independent (primarily Quippo Infrastructure Equipment Ltd), tower companies. NED has a strong presence in the replacement market.

Rating Strengths

- Strong managerial and financial support from Time
- Comfortable financial risk profile and sound operating margin

Rating Weaknesses

- Revenue concentration in telecom segment
- Susceptibility of margins to volatility in lead prices

Outlook: Stable

CRISIL believes that NED will maintain a sound financial risk profile, supported by healthy accruals and marginal debt repayment obligations. The outlook may be revised to 'Positive' if the company successfully ramps up its scale of operations, without compromising its operating margins. Conversely, the outlook may be revised to 'Negative' if NED's business volumes deteriorate significantly, its operating margin declines, or it undertakes a larger-than-expected, debt-funded capital expenditure (capex) programme.

Key Rating Sensitivity Factors

- Adverse movements in lead prices
- Capex plans and their funding mix
- Cheap import of batteries, and risk of product obsoloscence
- Changes in support from Time, or Time's rating

Financial Performance (Consolidated)

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1952	1501	1326
OPBDIT	401	398	440
PAT	218	227	272
Tangible Networth	745	615	322
Total Debt	683	513	86

OPBDIT Margins (%)	20.5	26.5	33.2
Net Profit Margins (%)	11.2	15.1	20.5
Interest cover (times)	9.85	12.78	28.07
NCA / Total Debt times)	0.27	0.34	3.28
Gearing (times)	0.92	0.83	0.27
Total Debt / PBDIT (times)	1.70	1.29	0.22

Nelco Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
04/Mar/2011	A		A1	Stable
24/Apr/2009	A		A1	Negative
13/Jun/2008	A		A1	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the financials of Nelco Ltd. (Nelco) and Nelco's wholly owned subsidiary Tatanet Services Ltd (TNSL), as the two companies are in the same line of business and under a common management.

Established in 1940, Nelco is a subsidiary of The Tata Power Company Ltd (Tata Power, rated 'CRISIL AA/Positive/CRISIL A1+). Over the years, Nelco has transformed itself from a radio and television manufacturing company to an organisation that provides electronic systems, solutions, and services for enterprise, infrastructure, and defense. The company has two Line of Businesses (LOBs) namely Strategic Electronics (SE) and Tatanet. Furthermore, it has a 100 per cent subsidiary, TNSL, which provides bandwidth and other services related to VSAT operations. Thus, TNSL compliments the operations of Nelco's Tatanet division. TNSL has been set up as a separate entity because of regulatory requirements.

Under the Tatanet business unit, Nelco is in the process of entering the business of providing the whole range of network and data management services to corporate entities. It already provides network services for its VSAT [very small aperture terminal] connections, and is aiming towards management of the entire information technology (IT) solutions for its clients. To begin with, Nelco is targeting its existing clients. This new line of business is still in the inception phase and the segment is marked by the presence of larger IT conglomerates, but requires low capital infusion during the inception phase. If Nelco establishes itself as an IT service provider, it will lead to improvement in the company's operating efficiency.

Rating Strengths

- Strong financial and operational support from parent, Tata Power
- Healthy business risk profile of VSAT operations

Rating Weaknesses

- Weak financial risk profile marked by low operating profitability
- Small scale of operations in comparison with that of competitors

Outlook: Stable

CRISIL believes that Nelco, backed by its healthy VSAT operations, will maintain its moderate business risk profile over the medium term. CRISIL also believes that Nelco will continue to receive business and financial support from Tata Power. The outlook may be revised to 'Positive' if Nelco turns around its SE business division, leading to a significant improvement in its financial risk profile. Conversely, the outlook may be revised to 'Negative' if the company fails to achieve the envisaged traction in business volumes, leading to deterioration in its financial risk profile.

Key Rating Sensitivity Factors

- CRISIL's view on credit risk profile of Tata Power
- Extent of financial support available from parent
- Ability to get large orders in SE business
- Timely execution of contracts
- Drop in operating efficiencies

Financial Performance

Rs. Million	30-Sep-10	30-Sep-09	31-Mar-08*
Net Sales	1580	3627	1742
OPBDIT	-51	308	229
PAT	224	33	48
Tangible Networth	462	278	193
Total Debt	729	963	896

**18 months*

OPBDIT Margins (%)	-3.2	8.5	13.0
Net Profit Margins (%)	13.9	0.9	2.7
Interest cover (times)	3.73	1.99	1.90
NCA / Total Debt (times)	0.35	0.11	0.12
Gearing (times)	1.58	3.47	4.64
Total Debt / PBDIT (times)	1.45	1.35	3.54

**18 months*

Neon Laboratories Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
29/ Dec/2010	A-	-	A2+	Stable

Company Background

Neon Laboratories Ltd (Neon), established in 1968 by the Mumbai-based Jain family, manufactures and sells parenteral formulation drugs (injectables). The company's manufacturing plant is in Palghar in Thane District (Maharashta) and its registered head office is in Mumbai. The company is managed by its promoter, the Jain family, with Mr. Uttam Jain at the helm of its operations.

The company manufactures injectables, tablets, capsules, syrups and ointments for various therapeutic segments, however the injectables or parenterals contribute almost 98 per cent of total volume. The manufacturing takes place at company's facility at Palghar. The company sells its products across the country and has a network of 24 main distributors scattered across various states. Neon operates exclusively in the small volume parenterals (SVP) segment that broadly caters to therapeutic segments like anaesthetic, oncology, orthopaedic, cardiology, gynaecology, Intensive Care Unit (ICU), Intensive Coronary Care Unit (ICCU) related medication.

The company has ~ 150 products in its portfolio, out of which 98 per cent are parenterals; 40-50 per cent of the same is contributed by anaesthetic parenterals. Neon has plans to enter other related segments such as 'Surgicals' – to manufacture surgical accessories like gloves, needles and other disposable surgical items in the near future.

Rating Strengths

- Established track record in the parenteral formulations drugs segment.
- Healthy financial risk profile

Rating Weakness

- Exposure to the inherent competitive dynamics in the parenteral formulations segment

Outlook: Stable

CRISIL believes that Neon will maintain its healthy capital structure and established market position in the parenteral drugs segment. The outlook may be revised to 'Positive' if Neon increases its scale of operations, thereby increasing its revenues significantly, and sustains a significant improvement in its profitability. Conversely, the outlook may be revised to 'Negative' if Neon's revenues and profitability decline significantly, or if the company contracts more-than-expected debt to fund its capital expenditure (capex) or acquisition programmes, thereby weakening its capital structure.

Key Rating Sensitivity Factors

- Size and funding mix of future capex
- Regulatory changes
- Emergence of new players

Financial Performance

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1415	1304	1037
OPBDIT	422	366	314
PAT	280	228	202
Tangible Networth	1046	769	544
Total Debt	148	72	150
OPBDIT Margins (%)	29.5	27.8	30.0
Net Profit Margins (%)	19.6	17.3	19.3
Interest cover (times)	29.91	54.21	47.92
NCA / Total Debt (times)	2.01	3.27	1.39
Gearing (times)	0.14	0.09	0.28
Total Debt / PBDIT (times)	0.31	0.19	0.46

Netafim Irrigation India Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Positive
Rating History				
16/July/2010	A+	-	A1+	Positive
06/May/2008	A+		A1	Stable

Company Background

Netafim Irrigation India Pvt Ltd (Netafim), incorporated in 1997, is a wholly owned subsidiary of Netafim Ltd, Israel. Netafim manufactures micro irrigation systems (MIS) at its facility in Vadodara (Gujarat) and Chennai (Tamil Nadu [TN]).

Netafim is one of the largest players in the MIS industry in India, with a market share of 15-20 per cent. The company has diversified product portfolio and a wide distribution network of around 800 dealers. The MIS sector is expected to grow strongly over the medium term on the back of increasing support from government to popularise MIS, in view of water shortage problems and improvement in yield. Netafim has established market positions in Andhra Pradesh (AP), Gujarat and Maharashtra. The company is increasing its penetration in other states such as TN, Karnataka and Punjab. Netafim's also benefits from the strong operational and financial support it gets from its parent.

Rating Strengths

- Established position in MIS segment
- Healthy financial risk profile
- Strong support from parent Netafim Ltd, Israel

Rating Weaknesses

- Susceptibility to adverse changes in government policies and revenue concentration in Gujarat and AP markets
- Working-capital-intensive operations

Outlook: Positive

CRISIL believes that Netafim's business risk profile will improve over the medium term because of the strong growth in, and increased diversification of, revenues, aided by significant increase in demand for MIS in India. The ratings may be upgraded if Netafim achieves more-than-expected diversification in its revenue profile and improves its working capital management on a sustained basis. Conversely, the outlook may be revised to 'Stable' in case of more-than-expected pressure on the company's operating margin, or if the company funds its projects by contracting more-than-expected debt.

Key Rating Sensitivity Factors

- State and central governments' subsidy policy for MIS
- Acquisition and capital expenditure plans
- Operating income growth and cash accruals
- Continued operational support from parent

Financial Performance

Rs. Million	31-Dec-10	31-Dec-09	31-Dec-08
Net Sales	4,007	2,812	2,182
OPBDIT	622	558	332
PAT	351	264	110
Tangible Networth	1,096	749	489
Total Debt	148	281	393
OPBDIT Margins (%)	15.5	19.9	15.2
Net Profit Margins (%)	8.8	9.4	5.1
Interest cover (times)	6.28	5.50	2.78
NCA / Total Debt (times)	2.78	1.13	0.39
Gearing (times)	0.13	0.37	0.80
Total Debt / PBDIT (times)	0.23	0.50	1.18

New Consolidated Construction Company Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Negative
Rating History				
29/Dec/2010	A-		A2+	Negative
11/Aug/2008	A-		A2+	Stable

Company Background:

New Consolidated Construction Company Limited (NCCCL) was set up in 1946 by Mr. Abbas Jasdanwalla (current chairman and managing director). The company is primarily into providing construction services in the real estate (commercial and residential) and industrial segments. The company's day-to-day operations are managed by Mr. Saleem A Jasdanwala (deputy managing director) and Mr. Mahesh Mudda (chief executive officer and executive director).

In April 2008, JIPE Mauritius Ltd and HDFC Investment Fund acquired 30 per cent of NCCCL's equity shares by infusing Rs.1.25 billion. The private equity (PE) players also invested Rs.750 million through preference shares, which were converted to equity shares in 2009-10; the PE players now hold 39 per cent stake in NCCCL.

Rating Strengths

- Moderate business risk profile backed by established track record in construction business and sizeable order book position
- Strong financial risk profile marked by healthy gearing and strong liquidity

Rating Weaknesses

- Exposure to risks inherent in real estate sector
- Limited project diversity

Outlook: Negative

CRISIL believes that NCCCL's business risk profile could weaken significantly if the company undertakes a large, debt-funded real estate development project in the near term. The rating may be downgraded if NCCCL is unable to scale up its operations as per expectations, or if it forays into real estate development which leads to the company contracting more-than-expected debt for its projects. Conversely, the outlook may be revised to 'Stable' if the company significantly scales up its operations over the near to medium term, while improving its profitability and maintaining a conservative capital structure.

Key Rating Sensitivity Factors

- Exit of PE funds
- Foray into real estate development
- Project execution timeliness
- Receivables management

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1464	2617	2841
OPBDIT	111*	110	120
PAT	66	19	16
Tangible Networth	2315	1513	256
Total Debt	146	949	1183

**NCCCL has written-off debtors of Rs.107.8 million during the year which has almost entirely eroded the cash generated from operations*

OPBDIT Margins (%)	7.5^	4.2	4.2
Net Profit Margins (%)	4.5	0.7	0.6
Interest cover (times)	11.77	3.02	1.55
NCA / Total Debt (times)	0.51	0.04	0.02
Gearing (times)	0.06	0.63	4.62
Total Debt / PBDIT (times)	1.30	8.72	9.05

^Upon considering debtor write-off as part of operating expenses, the company's operating margin for the year would reduce to less than 1 per cent

Nippon Audiotronix Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
21/Dec/2011	A+	-	A1	Stable
08/Nov/2010	A+	-	A1+	Positive
27/Mar/2009	A	-	A1	Stable

Company Background:

Nippon Audiotronix Limited (NAL) was set up in 1987 by Mr. Kanwaljeet Singh Goindi along with his wife, Mrs. Maninder Goindi. The company manufactures car audio systems (76 per cent of total sales in 2010-11) and car security systems (24 per cent of total sales in 2010-11).

NAL has tied up with Kenwood Corp, Japan (Kenwood Corp), Sanyo Electronics Inc (Sanyo Electronics), Daewood Electronics Corp. etc. for supply of Kenwood and Sanyo audio systems respectively in India. The company is also the sole supplier to original equipment manufacturers such as Maruti Suzuki (India) Ltd (MSIL, rated CRISIL 'AAA/Stable/CRISIL A1+') and Mahindra & Mahindra Ltd (CRISIL 'AA+/Stable/CRISIL A1+') for certain models of their passenger vehicles. NAL used to earlier operate from its manufacturing facilities at Noida (Uttar Pradesh) and Manesar (Haryana); however, it has shifted its entire operations to Manesar with effect from October 2011. The company has recently set up a facility to manufacture speakers at Manesar.

Rating Strengths

- Strong market position in car audio systems market, and established relationship with customers and suppliers
- Healthy financial risk profile

Rating Weaknesses

- High customer concentration in revenues
- Fragmented nature of industry

Outlook: Stable

CRISIL believes that NAL's business risk profile will remain vulnerable over the near to medium term, with revenues expected to grow at lower-than-expected rate, because of the sluggish demand from its principal customer, MSIL, in 2011-12, and the ongoing slowdown in the automobile sector. The outlook may be revised to 'Positive' if NAL achieves greater-than-expected revenues, on the back of a diversified customer base and a revival of growth prospects in the passenger car industry, while it maintains its profitability and liquidity. Conversely, the outlook may be revised to 'Negative' if NAL reports a significant decline in its revenues and profitability, contracts more-than-expected debt to fund its capital expenditure (capex) leading to deterioration in its financial risk profile, or faces any significant pressure on its liquidity because of a dip in cash accruals being generated.

Key Rating Sensitivity Factors

- Volatility in foreign exchange rates
- Contract renewal with Kenwood Corp and Sanyo Electronics
- Capex plans and their funding pattern
- Unrelated diversification

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	5229	4183	2464
OPBDIT	576	410	247
PAT	396	274	168
Tangible Networth	1497	1101	827
Total Debt	91	221	188
OPBDIT Margins (%)	11.0	9.8	10.0
Net Profit Margins (%)	7.6	6.6	6.8
Interest cover (times)	75.77	35.79	65.32
NCA / Total Debt (times)	4.43	1.28	0.93
Gearing (times)	0.06	0.20	0.23
Total Debt / PBDIT (times)	0.16	0.53	0.73

Nitin Fire Protection Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
30/Dec/2011	A		A1	Stable
04/Mar/2009	A-		A2+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Nitin Fire Protection Industries Limited (NFPIL) and its six wholly owned subsidiaries: Alert Fire Protection Systems Pvt Ltd (Alert Fire), Eurotech Cylinders Pvt Ltd (Eurotech), Logicon Building Systems Pvt Ltd, Nitin Ventures FZE, Nitin Global Pte Limited and New Age Co LLC. The entities are collectively referred to as the Nitin group.

Incorporated in 1995, NFPIL provides fire detection and suppression systems, and manufactures fire extinguishers. NFPIL and its subsidiaries are promoted by Mr. Nitin Shah and his sons, Mr. Rahul Shah and Mr. Kunal Shah. The Nitin group provides end-to-end solutions in fire protection, safety and security, and intelligence-building management systems (IBMS). The group provides gas and water based fire protection, it is also engaged in fire detection, alarm, building automation and security. The end-user industries catered to by the company are mainly telecom, information technology (IT), banking and other manufacturing companies. The group manufactures and trades in high-pressure seamless cylinders (compressed natural gas [CNG] and industrial cylinders) and CNG refuelling systems.

Rating Strengths

- Strong business profile, supported by established and diversified market position in the fire protection business,
- Healthy financial risk profile

Rating Weaknesses

- Large working capital requirements
- Susceptibility of margin to cyclical trends in the economy

Outlook: Stable

CRISIL believes that the Nitin group will maintain its strong business risk profile over the medium term, supported by its established market position in the fire protection business and its geographically diversified revenue profile. The group's financial risk profile is expected to remain strong, supported by healthy cash accruals and moderate debt-funded capital expenditure (capex) plans, over the medium term. The outlook may be revised to 'Positive' if the group prevents its working capital intensity from increasing from the current improved level, while maintaining its revenue growth and profitability. The outlook may be revised to 'Negative' if the group undertakes a larger-than-expected debt-funded capex programme or its working capital intensity increases, leading to deterioration in its capital structure.

Key Rating Sensitivity Factors

- Aggressive debt-funded acquisitions or capex
- Utilisation and offtake from CNG cylinders business

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3133	2460	1324
OPBDIT	569	502	259
PAT	419	347	141
Tangible Networth	1814	1441	1133
Total Debt	1293	690	543
OPBDIT Margins (%)	18.1	20.4	19.5
Net Profit Margins (%)	13.4	14.1	10.6
Interest cover (times)	6.91	7.34	23.00
NCA / Total Debt (times)	0.32	0.49	0.23
Gearing (times)	0.71	0.48	0.48
Total Debt / PBDIT (times)	2.04	1.25	2.33

Nitta Gelatin India Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
21/Nov/2011	A-	-	A2+	Stable
09/ Sep/2009	A-	-	A2+	Positive
07/ Oct/2008	A-	-	A2+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the financial and business risk profiles of Nitta Gelatin India Limited (NGIL), Bamini Proteins Ltd (BPL), and Reva Proteins Ltd (RPL), collectively referred to as the NGIL group. BPL and RPL process raw materials – crushed animal bone and hydrochloric acid (HCL) – into ossein, which they supply to NGIL. BPL and RPL have no other operations.

Set up in 1975, NGIL is a joint venture (JV) between Kerala State Industrial Development Corporation (34 per cent shareholding) and Nita Gelatin Inc. (NGI), Japan (46 per cent shareholding). NGIL manufactures gelatin, ossein, limed ossein and di-calcium phosphate (DCP) by processing crushed animal bone and treating it with HCL.

Rating Strengths

- Established presence in gelatin market with recognised brand
- Healthy financial risk profile, despite planned debt-funded capex for medium term
- Support from JV partner, NGI

Rating Weaknesses

- Susceptibility to volatility in input prices and to fortunes of end-user industries
- Vulnerability to fluctuations in foreign exchange (forex) rates

Outlook: Stable

CRISIL believes that the NGIL group will maintain its financial risk profile, supported by comfortable capital structure and stable cash accruals, despite its debt-funded capital expenditure (capex) plans, over the medium term. The outlook may be revised to 'Positive' if the group improves its profitability and increases its scale of operations on a sustained basis. Conversely, the outlook may be revised to 'Negative' if the group's capital structure deteriorates, most likely because of larger-than-expected debt-funded capex, or if its margins decline further.

Key Rating Sensitivity Factors

- Continuing JV with, and support from, NGI
- Major capex or acquisition plans
- Threat of development of substitutes

Financial Performance

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1991	1917	1851
OPBDIT	131	406	379
PAT	17	253	157
Tangible Networth	1030	1059	865
Total Debt	623	196	282

\	6.4	20.7	20.1
Net Profit Margins (%)	0.9	12.9	8.3
Interest cover (times)	4.47	20.11	10.35
NCA / Total Debt times)	0.11	1.40	0.78
Gearing (times)	0.61	0.18	0.33
Total Debt / PBDIT (times)	4.75	0.48	0.75

Nitte Education Trust

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
07/Feb/2011	A-		A2+	Stable

Company Background:

Nitte Education Trust (Nitte) was set up in 1985 as a private trust under the Indian Trust Act, 1882. The trust comprises 22 educational institutions offering under-graduate and post-graduate courses in medicine, engineering, nursing, physiotherapy, business management, and polytechnic, apart from schools offering primary, secondary, and pre-university education. The trust also includes a charitable hospital named KS Medical Academy with a capacity of 780 beds. Five of the educational institutions under the trust are affiliated to Nitte University, which was awarded the deemed university status in 2008. Nitte's institutes are spread across three campuses – one each in Nitte, Mangalore, and Bangalore (all in Karnataka). The trust has around 10,500 students.

Rating Strengths

- Established society of good repute offering diverse educational courses
- Strong financial risk profile

Rating Weaknesses

- High intensity of competition from other educational institutes in the area
- High degree of regulation by governmental agencies in all areas including fee structure

Outlook: Stable

CRISIL believes that Nitte will maintain a stable credit risk profile over the medium term, backed by its diverse presence across the education spectrum and healthy financial risk profile. The outlook may be revised to 'Positive' if Nitte enhances its brand image considerably by improving the educational services it offers or by increasing its geographic reach, resulting in a further improvement in its revenue stream. Conversely, the outlook may be revised to 'Negative' if Nitte undertakes any unexpected debt-funded capital expenditure (capex) programme, or faces any adverse regulatory change.

Key Rating Sensitivity Factors

- Continuous accreditation by the All India Council for Technical Education/Medical Council of India affiliated universities
- Non-compliance with regulations or malpractices impacting running of educational institutions under the society
- Higher than expected debt funded capex
- Any force majeure event impacting institutes, due to location concentration

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	991	853	721
OPBDIT	375	229	195
PAT	360	141	121
Tangible Networth	1374	1061	916
Total Debt	436	573	470
OPBDIT Margins (%)	34.2	25.8	25.7
Net Profit Margins (%)	32.8	15.8	15.9
Interest cover (times)	8.31	4.50	5.53
NCA / Total Debt (times)	0.91	0.32	0.37
Gearing (times)	0.32	0.54	0.51
Total Debt / PBDIT (times)	0.97	2.41	2.22

NKG Infrastructure Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
11/Mar/2011	A	-	A1	Stable
30/Jun/2010	A-	-	A2+	Positive

Company Background:

NKG Infrastructure Ltd (NKG) was set up by Mr. Naresh Kumar Garg in 1976 as a partnership firm, NK Garg and Company. It was incorporated as a private limited company, NK Garg and Company Pvt Ltd in 1989. In 2005, the company was reconstituted as a public limited company and its name was changed to the current one. NKG constructed roads in and around Ghaziabad (Uttar Pradesh) during the initial 25 years of its operations. In 2002, Mr. Pradeep Garg, the youngest brother of Mr. Naresh Garg, joined the business. Over the past eight years, the company has registered healthy growth, driven by geographical as well as segmental expansion.

The company now constructs roads, buildings, bridges, underpasses, power sub-stations, water projects, and other structures in Uttar Pradesh, Uttrakhand, Haryana, Delhi, Madhya Pradesh, and some other states.

Rating Strengths

- Healthy financial risk profile
- Increased diversification of revenue profile, and good revenue visibility, supported by a sizeable order book

Rating Weaknesses

- Working-capital-intensive nature of industry
- Exposure to intense competition in the construction sector

Outlook: Stable

CRISIL believes that NKG will maintain its business risk profile over the medium term, supported by its sizeable order book and timely execution of orders. The outlook may be revised to 'Positive' if NKG reports more-than-expected revenue growth and profitability and efficiently manages its working capital. Conversely, the outlook may be revised to 'Negative' if NKG faces significant delays in delivering orders, or its financial risk profile deteriorates because of large, incremental working capital requirements, debt-funded capital expenditure (capex) or unrelated diversifications.

Key Rating Sensitivity Factors

- Management of working capital requirements
- Large debt-funded capex on road built-operate-transfer (BOT) or hydro power plant
- Equity infusion through initial public offer (IPO)
- Timely execution of projects in hand and future order flow

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	10129	5335	3519
OPBDIT	1107	440	292
PAT	515	220	171
Tangible Networth	2312	1694	895
Total Debt	1693	1264	736
OPBDIT Margins (%)	10.9	8.2	8.3
Net Profit Margins (%)	5.1	4.1	4.9
Interest cover (times)	3.82	3.85	5.79
NCA / Total Debt (times)	0.34	0.20	0.25
Gearing (times)	0.73	0.75	0.82
Total Debt / PBDIT (times)	1.49	2.78	2.45

Noble Resources and Trading India Private Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A		A1	Rating Watch with Negative Implications
Rating History				
13/Dec/2011	A		A1	Placed on Rating Watch with Negative Implications
28/Jan/2009	A		A1	Stable

Company Background:

Noble Resources and Trading India Pvt Ltd (Noble Resources) is a wholly owned subsidiary of Noble Group Ltd, Hong Kong (Noble Group, rated 'BBB-/ Rating Watch with Negative Implications' by Standard & Poor's [S&P]), a leading global supply chain manager of agricultural, industrial, and energy products. Noble Resources is engaged in exports and imports (besides local sourcing and sale in the domestic market) of commodities, including edible oil, agricultural produce, chemicals, cotton, coal, and iron ore. The company was set up in 1991 as Andagro Services Pvt Ltd (Andagro Services), a 100 per cent subsidiary of Andre Group, Switzerland. The company was taken over by Noble Group in 2001, and was renamed Noble Resources in 2006. Noble Resources had a 100 per cent subsidiary, Andagro Foods, which was merged with the company with effect from January 1, 2006.

CRISIL has placed its ratings on the bank facilities of Noble Resources and Trading India Pvt Ltd (Noble Resources) on 'Rating Watch with Negative Implications' following S&P's rating action on Noble Group. S&P's rating action reflects the view that Noble Group's financial strength has weakened after a major acquisition, while its profitability trend has weakened because of heightened volatility in the commodities market.

Rating Strengths

- Financial and managerial support from parent, Noble Group
- Adequate risk mitigation systems

Rating Weakness

- Weak standalone financial risk profile

Key Rating Sensitivity Factors

- Continuance of parent support and parent's rating
- Standalone profitability in existing businesses

Financial Performance (Not Published)

NTL Electronics India Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
01/Jun/2011	A-	-	A2+	Stable
10/Dec/2009	BBB+	-	A2	Stable

Company Background:

NTL Electronics India Ltd (NTL) was incorporated in 2002 as Northern Telelinks Pvt Ltd, by technocrats Mr. Arun Gupta and his brother Mr. Praveen Gupta. The company started operations by manufacturing and supplying electronic ballasts (used in compact fluorescent lamp {CFLs}) to Osram India Pvt Ltd (rated 'CRISIL AA/Stable/CRISIL A1+') and Crompton Greaves Ltd (Crompton Greaves). In 2007-08, the company changed its corporate status to that of a public limited company with the current name; however, NTL continues to be a closely held company.

NTL is a contract manufacturer of CFLs, fluorescent lamps (FTLs), and light-emitting diode lamps (LEDs) and their components (ballasts and printed circuit board assemblies) for established players in the Indian lighting industry; it directly employs around 3500 people. NTL has four units in Noida (Uttar Pradesh), two in Dehradun, and two in Roorkee (both in Uttarakhand) with a total capacity of electronic ballast of 108.6 million pieces per annum and complete CFL lamp of 36.2 million pieces per annum. NTL has been availing of tax benefits at its Dehradun and Roorkee facilities.

Rating Strengths

- Healthy financial risk profile, marked by healthy gearing and debt protection measures
- Industry experience of promoters, and improving operating efficiency
- Good demand prospects for CFLs

Rating Weaknesses

- Susceptibility of operating margin to volatility in raw material prices and foreign exchange (forex) rates
- Exposure to customer concentration risks and increasing competition

Outlook: Stable

CRISIL believes that NTL will maintain a healthy financial risk profile over the medium term, on the back of its comfortable capital structure and healthy cash accruals. The outlook may be revised to 'Positive' if NTL further increases its scale of operations while improving its operating margin and maintaining its capital structure. Conversely, the outlook may be revised to 'Negative' if NTL undertakes a larger-than-expected, debt-funded capital expenditure (capex) programme, thus weakening its capital structure, or if it reports a less-than-expected increase in profitability and cash accruals.

Key Rating Sensitivity Factors

- Fluctuations in prices of key raw materials
- Aggressive debt-funded capex
- Inorganic expansion plans and their funding mix
- Working capital management

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	3268	1399	571
OPBDIT	483	182	96
PAT	357	133	58
Tangible Networth	591	240	113
Total Debt	428	135	31

OPBDIT Margins (%)	14.8	13.0	16.7
Net Profit Margins (%)	10.9	9.5	10.1
Interest cover (times)	17.76	18.81	32.22
NCA / Total Debt (times)	0.86	1.13	2.02
Gearing (times)	0.72	0.56	0.27
Total Debt / PBDIT (times)	0.88	0.74	0.32

Nucon Power Controls Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A1	Stable
Rating History				
15/Jul/2009	A-	-	A1	Stable

Company Background

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Nucon Switchgears Pvt Ltd (NSPL) and Nucon Power Controls Pvt Ltd (NPCPL), together referred to as the Nucon group.

NSPL and NPCPL, set up by Mr. Harminder Paul in 1986 and 1989, respectively, manufacture, market, and distribute transformers with capacities up to 50 megavolt-ampere (MVA). The Nucon group has three manufacturing facilities—two at Focal Point in Ludhiana and one in Doraha (Punjab)—equipped with wire-drawing, paper-covering, wire-coating, cold-rolled grain-oriented (CRGO) steel processing and tank-fabrication facilities, dehydrating-electric ovens, and winding machines.

Rating Strengths

- Business risk profile supported by backward integration of facilities and improving export volumes
- Healthy financial risk profile

Rating Weaknesses

- Low operating margin
- Moderate scale of operations and exposure to competition in transformer industry

Outlook: Stable

CRISIL believes that the Nucon group will continue to benefit from its established market position in the distribution transformer segment. The group's financial risk profile is expected to remain strong over the medium term, supported by low levered capital structure and no major capital expenditure plans. The outlook may be revised to 'Positive' if the group's proportion of sales from higher-value-added product segments increases significantly, leading to significant increase in its profitability and cash accruals. Conversely, the outlook may be revised to 'Negative' if the group faces considerable delays in recovering dues, its corpus of marketable securities reduces drastically, or its debt protection metrics weaken because of larger-than-expected debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Timely collection of dues from customers
- Working capital management
- Exposure to volatility in prices of raw materials such as copper, aluminium, and steel
- Sustained order book and export volumes
- Capex plans, and their funding mix
- Sustenance of high cash and marketable securities

Financial Performance (Consolidated)

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2639	2488	2421
OPBDIT	171	140	139
PAT	105	83	81
Tangible Networth	492	383	301
Total Debt	109	124	54

OPBDIT Margins (%)	6.2	5.4	5.6
Net Profit Margins (%)	3.8	3.2	3.3
Interest cover (times)	5.38	6.46	6.44
NCA / Total Debt (times)	1.00	0.70	1.56
Gearing (times)	0.22	0.32	0.18
Total Debt / PBDIT (times)	0.82	1.18	0.65

Nucon Switchgears Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A1	Stable
Rating History				
15/Jul/2009	A-		A1	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Nucon Power Controls Private Limited (NPCPL) and Nucon Switchgears Pvt Ltd (NSPL), together referred to as the Nucon group.

NSPL and NPCPL, set up by Mr. Harminder Paul in 1986 and 1989, respectively, manufacture, market, and distribute transformers with capacities up to 50 megavolt-ampere (MVA). The Nucon group has three manufacturing facilities—two at Focal Point in Ludhiana and one in Doraha (Punjab)—equipped with wire-drawing, paper-covering, wire-coating, cold-rolled grain-oriented (CRGO) steel processing and tank-fabrication facilities, dehydrating-electric ovens, and winding machines.

Rating Strengths

- Business risk profile supported by backward integration of facilities and improving export volumes
- Healthy financial risk profile

Rating Weaknesses

- Low operating margin
- Small scale of operations and exposure to competition in transformer industry

Outlook: Stable

CRISIL believes that the Nucon group will continue to benefit from its established market position in the distribution transformer segment. The group's financial risk profile is expected to remain strong over the medium term, supported by low levered capital structure and no major capital expenditure plans. The outlook may be revised to 'Positive' if the group's proportion of sales from higher-value-added product segments increases significantly, leading to significant increase in its profitability and cash accruals. Conversely, the outlook may be revised to 'Negative' if the group faces considerable delays in recovering dues, its corpus of marketable securities reduces drastically, or its debt protection metrics weaken because of larger-than-expected debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Timely collection of dues from customers
- Working capital management
- Exposure to volatility in prices of raw materials such as copper, aluminium, and steel
- Sustained order book and export volumes
- Capex plans, and their funding mix
- Sustenance of high cash and marketable securities

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2639	2488	2421
OPBDIT	171	140	139
PAT	105	83	81
Tangible Networth	492	383	301
Total Debt	109	124	54

OPBDIT Margins (%)	6.2	5.4	5.6
Net Profit Margins (%)	3.8	3.2	3.3
Interest cover (times)	5.38	6.46	6.44
NCA / Total Debt (times)	1.00	0.70	1.56
Gearing (times)	0.22	0.32	0.18

Om Sagar Engineering Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A (SO)			Stable
Rating History				
27/Apr/2011	A (SO)	-	-	Stable

Company Background:

Om Sagar Engineering Pvt. Ltd (OSEPL) is in the business of providing commercial infrastructure facilities to the members of its commercial premises. The company owns a three-story building at TTC Industrial Area, MIDC, Nerul (Navi Mumbai), which has been leased to Tata Consultancy Services Ltd (TCS, part of Tata Sons Ltd, rated 'CRISIL AAA/FAAA/Stable/ CRISIL A1+') for 9 years since November 2007 (renewable every three years). The latest renewal of the lease agreement took place in November 2010. OSEPL has acquired another property, with an area of 40,000 square feet in Bandra Kurla Complex (BKC), Mumbai, which has been leased to one of its group entities since December 2010.

OSEPL has availed a term loan of Rs.200 million from State Bank of India Ltd (SBI), by way of discounting lease rentals from TCS for the MIDC Nerul property. This loan has been used to acquire the BKC property. According to the rental agreement and the tripartite agreement between OSEPL, SBI and TCS, TCS deposits the rental in the escrow account maintained with Medium Enterprises Overseas Branch of SBI in Ahmedabad (Gujarat) within the first ten days of a month. SBI debits the escrow account within the next three days in order to make the repayment of the term loan due as on the last day of the scheduled month along with the interest due. The rest of the amount is transferred to the current account of OSEPL maintained with the same branch.

Rating Strengths

- Soundness of the lease agreement with TCS and the tripartite agreement with TCS and SBI

Rating Weakness

- Customer concentration

Outlook: Stable

CRISIL expects OSEPL to continue to benefit from its existing lease agreement with TCS translating into cash flows that are stable and adequate to service its debt in a timely manner over the medium term. The outlook may be revised to 'Positive' if OSEPL improves its rental-to-debt-repayment ratio, or improves its liquidity by sourcing excess funds or infusing equity capital. Conversely, the outlook may be revised to 'Negative' if the company undertakes a large debt-funded capital expenditure (capex) programme, or if any change in the lease agreement or envisaged structure weaken the company's debt repayment ability.

Key Rating Sensitivity Factors

- Cancellation of any lease agreements
- Large debt funded capex

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1,105	832	769
OPBDIT	16	8	7
PAT	7	5	3
Tangible Networth	92	63	39
Total Debt	136	5	17
OPBDIT Margins (%)	1.5	0.9	0.9
Net Profit Margins (%)	0.6	0.6	0.4
Interest cover (times)	2.99	2.94	3.91
NCA / Total Debt (times)	0.06	1.07	0.22
Gearing (times)	1.48	0.08	0.45
Total Debt / PBDIT (times)	7.84	0.43	2.28

ONGC Tripura Power Company Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Stable
Rating History				
30/Dec/2011	A+*			Stable

**Initial Bank loan rating assigned*

Company Background:

ONGC Tripura Power Company Limited (OTPC), which is a joint venture of Oil and Natural Gas Corporation Ltd (ONGC; rated 'CRISIL AAA/Stable/CRISIL A1+'), IL&FS Energy Development Company Limited (IEDCL, a subsidiary of Infrastructure Leasing & Financial Services Ltd), and the Government of Tripura (GoT), is implementing a 726.6-megawatt (MW) combined-cycle gas turbine (CCGT) power project in Pallatana (Tripura). The shareholding pattern of OTPC envisages ONGC owning 50 per cent of OTPC's equity shares, IEDCL owning 26 per cent, and GoT owning 0.5 per cent. IEDCL has also undertaken to place the remaining equity stake of 23.5 per cent through a public offering or with strategic investors.

The original project cost is Rs.34.2 billion, to be funded in a debt-equity mix of 75:25. OTPC has already signed power purchase agreements (PPAs) with the north-eastern state governments for supply of 87 per cent of power; the rest would be sold through the merchant power route.

The transmission system connecting Palatana and Bongaigaon (Assam), a distance of around 650 kilometers, for evacuation of power is being implemented by North East Transmission Company Ltd (NETCL) at a cost of Rs.17.70 billion (funded in a debt-equity mix of 80:20). NETCL is a joint venture of OTPC (proposed shareholding of 26 per cent), Power Grid Corporation of India Ltd (rated 'CRISIL AAA/Stable/CRISIL A1+'; proposed shareholding of 26 per cent), and the north-eastern state governments (proposed shareholding of 48 per cent). The construction of transmission line from project site to Bongaigaon is delayed mainly because environment clearance has not yet been obtained from Assam and Meghalaya governments. However, the transmission line established till Silchar will be used for the evacuation of power generated from the first unit. OTPC expects the transmission line to be commissioned by July 2012 for power evacuation for the second unit.

Rating Strengths

- Financial and managerial support from largest shareholder, ONGC
- Significant progress made in ongoing project, mitigating project development and commercial risks
- Competitive advantages because of gas supply by ONGC on firm-price basis

Rating Weaknesses

- Exposure to risks related to timely implementation of ongoing project and availability of transmission infrastructure
- Vulnerability to counterparty risks after completion of ongoing project

Outlook: Stable

CRISIL believes that while a significant proportion of the implementation has been achieved, OTPC will continue to receive support from ONGC in case of any exigencies emanating from the residual implementation risk. The outlook maybe revised to 'Positive' if OTPC completes its project without significant time or cost overrun and stabilises its operations. Conversely, the outlook may be revised to 'Negative' or the rating may be downgraded if OTPC faces delays in the project, resulting in lower-than-expected revenues and profitability.

Key Rating Sensitivity Factors

- Delays in project implementation
- Timely availability of transmission and gas supply infrastructure
- Extent of support from ONGC

Financial Performance (Not Published)

Orient Abrasives Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Positive
Rating History				
22/Oct/2010	A+	-	A1+	Positive
22/May/2009	A+	-	A1+	Stable

Company Background:

Set up by the late Mr. R L Rajgarhia in 1971, Orient Abrasives Ltd (OAL) came out with its initial public issue in 1974. It acquired raw bauxite mines at Jamnagar (Gujarat) in 1973 and started commercial production in 1975. The company set up a fused aluminium oxide abrasive grains and calcined products manufacturing unit at Porbander (Gujarat) in 1975, and bonded abrasive and refractory manufacturing facilities, both at Bhiwadi (Rajasthan), in 1980 and 1985, respectively. It sold its bonded abrasive division in 2006-07. OAL was allotted more bauxite mines in Kutch district (Gujarat) in 2007-08. The company operates windmills of about 11 megawatts (MW) capacity.

Rating Strengths

- Established position in refractory market
- Healthy financial risk profile
- Strong operating capabilities

Rating Weaknesses

- Susceptibility of operating margin to volatility in raw material prices
- High dependence on cyclical steel industry for revenues

Outlook: Positive

CRISIL believes that OAL will continue to benefit from its established position in the refractory and abrasives market and further improve its healthy financial risk profile on the back of stable accruals. The rating may be revised upwards in case the company is able to sustain its operating margin, while reducing its reliance on debt. Conversely, the outlook may be revised to 'Stable' if the company undertakes a large, debt-funded capital expenditure (capex), weakening its capital structure, or in case of a material decline in accruals.

Key Rating Sensitivity Factors

- Capex and its funding
- Ability to sustain operating margin amid volatility in raw material and fuel prices
- Availability of raw material from captive mines
- Prolonged suspension of operations at Porbander plant

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3,174	2,980	2,366
OPBDIT	847	688	423
PAT	512	318	189
Tangible Networth	1,502	1,132	909
Total Debt	633	590	774

OPBDIT Margins (%)	25.8	22.5	17.5
Net Profit Margins (%)	15.6	10.4	7.8
Interest cover (times)	16.49	6.69	5.80
NCA / Total Debt (times)	16.50	6.70	5.79
Gearing (times)	0.76	0.55	0.26
Total Debt / PBDIT (times)	0.42	0.52	0.85

P.E.S. Engineers Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
23/Jul/2009	A-	-	A2+	Stable

Company Background:

P.E.S. Engineers Private Limited (PES) was established in 1981 by the late Mr. Ravi Janardhan Choudhury, a technocrat with almost 3 decades of experience in the engineering and construction industry. PES is equipped with the latest construction engineering techniques for power generation, steel plants, ship yards, fertiliser, paper, gas and chemical plants.

PES currently has two facilities in Hyderabad (130 tonnes per month) and Uttarakhand (230 tonnes per month) for manufacturing of gates. Its primary services include: hydro-mechanical equipment design, manufacture, fabrication, erection, testing and commissioning (penstocks, valves, gates, and expansion joints); electro-mechanical equipment assembly, installation, testing and commissioning (turbines and generators); and nuclear plants installation, testing, and commissioning of critical piping, conventional piping, rotary and stationary equipment.

Rating Strengths

- Diversified revenue profile
- Healthy financial risk profile

Rating Weaknesses

- Modest scale of operations in the hydro-and electro-mechanical, and nuclear piping projects industries
- Large working capital requirements

Outlook: Stable

CRISIL believes that PES will maintain its comfortable business risk profile over the medium term on the back of its healthy order book position. The outlook may be revised to 'Positive' if there is a significant increase in PES's revenues and improvement in its profitability, together with improvement in its working capital requirements. Conversely, the outlook may be revised to 'Negative' if PES undertakes large debt funded capital expenditure or faces delays in project execution or if there is a steep decline in its profitability, which would weaken its financial risk profile.

Key Rating Sensitivity Factors

- Delay in completion of projects
- Decline in profit margins
- Slowdown in end-user industries

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1858	1397	1083
OPBDIT	277	260	144
PAT	127	215	71
Tangible Networth	699	584	380
Total Debt	314	320	175

OPBDIT Margins (%)	14.9	18.6	13.3
Net Profit Margins (%)	6.8	15.4	6.6
Interest cover (times)	3.22	5.54	6.53
NCA / Total Debt (times)	0.46	0.44	0.51
Gearing (times)	0.45	0.55	0.46
Total Debt / PBDIT (times)	1.13	1.16	1.12

Paranjape Autocast Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
11/Jan/2010	A-		A2+	Stable

Company Background:

Set up in 1980 by the Paranjape family, Paranjape Autocast Private Ltd (PAPL) is in the business of casting auto-components for two- and three-wheeler industry, diesel engines, and hydraulics systems. The company's manufacturing units in Satara (Maharashtra) have a combined installed capacity of 12,000 tonnes per annum (tpa) for iron casting and 2830 tpa for aluminium casting. PAPL also owns five windmills, one in Maharashtra, and four in Rajasthan, with a combined capacity of 3.43 megawatts.

PAPL's promoters have two other group companies, Paranjape Metal Shapers Pvt Ltd (PMSPL) and Hipac Auto-cylinders Pvt Ltd (HAPL). PMSPL is in the same line of business as PAPL, and caters to auto-manufacturers such as Bajaj Auto Ltd and TVS Motors Company. HAPL manufactures auto-components for the after-sales market.

Rating Strengths

- Healthy financial risk profile
- Established presence in two and three wheeler auto-component sector

Rating Weaknesses

- Small scale of operations with concentration in two and three wheeler sector
- Vulnerability of margins to raw material price fluctuation

Outlook: Stable

CRISIL believes that PAPL will maintain its healthy financial risk profile and benefit from its track record in the auto-component sector over the medium term. The outlook may be revised to 'Positive' if PAPL scales up its operations significantly without weakening its financial risk profile. Conversely, the outlook may be revised to 'Negative' if PAPL's financial risk profile deteriorates, most likely because of large capital expenditure (capex) borrowings or decline in margins.

Key Rating Sensitivity Factors

- Improvement in scale of operations
- Working capital management
- Additional debt-funded capex

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1107	1020	897
OPBDIT	121	99	105
PAT	19	46	51
Tangible Networth	258	248	223
Total Debt	232	159	116
OPBDIT Margins (%)	10.7	9.6	11.6
Net Profit Margins (%)	1.7	4.5	5.6
Interest cover (times)	8.24	28.06	22.57
NCA / Total Debt (times)	0.23	0.38	0.53
Gearing (times)	0.90	0.64	0.52
Total Debt / PBDIT (times)	1.90	1.59	1.09

Parekh Aluminex Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Negative
Rating History				
30/Jun/2011	A+		A1	Negative
08/Jun/2010	AA-		A1+	Stable
08/Apr/2009	A+		A1	Stable

Company Background:

Incorporated in 1994, Parekh Aluminex Ltd (PAL) manufactures aluminium foil containers (AFCs), lids, covers, and allied products, used mainly by the Indian Railways, and the aviation and hospitality industries for their catering requirements. PAL has healthy relationships with customers such as the Indian Railways, Indian Railway Catering and Tourism Corporation, Air India, Jet Airways, Emirates Airlines, and Singapore Airlines, and leading restaurants and other customers in the US and the UK. The company is now planning to enter the retail market and is expected to launch branded products in 2011-12.

PAL's manufacturing units are in Dadra and Nagar Haveli. In 2005, PAL acquired a Singapore-based company to enter the Southeast Asian markets. In 2008, PAL's manufacturing units acquired an export-oriented-unit status. The company has been continuously increasing its installed capacity; at March 31, 2011, PAL had capacity to manufacture 5.5 billion pieces of aluminum foil containers, 1.6 billion pieces of lids, and over 98 million pieces of aluminum foil.

Rating Strengths

- Established presence in AFC industry, marked by strong customer base
- Sound operational capabilities
- Healthy financial risk profile

Rating Weaknesses

- Working capital intensive nature of operations
- Risks associated with large capital expenditure (capex) plans

Outlook: Negative

CRISIL believes that PAL's financial risk profile will remain constrained over the medium term by its large working capital requirements, large capex, and retail expansion. PAL's recently concluded debt-funded capex has already resulted in significantly higher gearing than CRISIL's expectation. The ratings may be downgraded if PAL's capital structure deteriorates further because of large, debt-funded capex, and higher dependence on debt to meet its incremental capex needs. Conversely, the outlook may be revised to 'Stable' if PAL maintains a healthy capital structure on a sustained basis, while continuing its healthy revenue growth and maintenance of its profitability levels.

Key Rating Sensitivity Factors

- Maintenance of operating margins over the medium term
- Higher-than-expected debt-funded capex

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	6342	4213	2986
OPBDIT	1105	4223	2988
PAT	454	377	260
Tangible Networth	3063	2665	2316
Total Debt	4198	2307	1060

OPBDIT Margins (%)	17.4	17.2	16.2
Net Profit Margins (%)	7.1	8.9	8.7
Interest cover (times)	4.12	5.14	5.08
NCA / Total Debt (times)	0.16	0.21	0.31
Gearing (times)	1.37	0.87	0.46
Total Debt / PBDIT (times)	3.80	3.19	2.19

Parkersons Packaging Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
29/Jun/2010	A-	-	A2+	Stable
31/Mar/2009	BBB+	-	A2	Stable

Company Background:

Incorporated in 1996 by Mr. Ramesh Kejariwal, Parksons Packaging Ltd (Parksons) manufactures folded cartons made of paper boards and plastic sheets. It supplies packaging for the fast-moving consumer goods (FMCG), food, and pharmaceutical industries.

Parksons's manufacturing facilities at Daman, Chakan (Maharashtra), and Rudrapur (Uttarakhand) have manufacturing capacities of 1400 tonnes per month (tpm), 850 tpm, and 700 tpm respectively; the company commenced operations at its Rudrapur facility in 2010-11 to cater to the North Indian markets.

Rating Strengths

- Established presence in packaging industry, with long standing relationship with reputed customers
- Healthy financial risk profile

Rating Weaknesses

- Susceptibility of operating margin to pricing pressures and fluctuations in raw material prices
- Highly working-capital-intensive operations

Outlook: Stable

CRISIL believes that Parksons will maintain its established presence in the packaging industry on the back of its longstanding relationships with customers and healthy operating efficiencies. The outlook may be revised to 'Positive' if there is substantial and sustained improvement in Parksons' revenues and profitability. Conversely, the outlook may be revised to 'Negative' if the company's profitability declines steeply, or if its capital structure weakens on account of debt-funded capital expenditure (capex) or large working capital requirements.

Key Rating Sensitivity Factors

- Capex and its funding pattern
- Maintenance of operating margins, amid volatile raw material prices
- Working capital management

Financial Performance (Not Published)

Pataka Industries Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
27/Dec/2011	A	-	A1	Stable

Company Background

Pataka Industries Private Limited (Pataka) was established in 1986 and is in the business of manufacturing beedi, trading in tea and operating a hospital for diabetic patients in Kolkata (West Bengal). Since incorporation, Pataka's main business has been manufacturing beedis. Pataka has an annual manufacturing capacity of around 35 billion sticks and is one of the largest beedi manufacturers in India with a dominant market position in North India.

Pataka's beedis are sold under the registered trademark 502 Pataka Beedi. The company has ten factories, of which eight are located in Murshidabad district in West Bengal and the others in Jharkhand. Pataka has been selling and distributing tea under the Pataka brand since 2003. The company has recently diversified into healthcare by establishing GD Hospital & Diabetic Institute in Kolkata. Beedis accounted for nearly 96 per cent of Pataka's total revenues, and tea and hospital accounted for the remaining in 2010-11.

Rating Strengths

- Established market position and promoters' extensive experience in beedi industry
- Healthy financial risk profile

Rating Weakness

- Susceptibility to intense market competition and adverse regulatory changes

Outlook: Stable

CRISIL believes that Pataka will maintain its robust business risk profile over the medium term, supported by its established market position and strong brand image and will generate healthy cash accruals over the medium term. The outlook may be revised to 'Positive' if Pataka improves its financial risk profile, most likely driven by more-than-expected operating income and cash accruals, thereby improving its financial risk profile. Conversely, the outlook may be revised to 'Negative' if the company's financial risk profile weakens, most likely because of less-than-expected cash accruals or because of unrelated diversification, resulting in sizeable significant debt-funded capital expenditure (capex) or imposition of additional tax liabilities by the regulatory authorities.

Key Rating Sensitivity Factors

- Future investment plans and its mix
- Extent of support provided to group companies
- Significant debt-funded capex plans
- Aggressive diversification into unrelated sectors

Financial Performance

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	7,205	6,315	5,276
OPBDIT	760	1,030	966
PAT	573	737	636
Tangible Networth	3949	3607	2955
Total Debt	81	36	72
OPBDIT Margins (%)	10.4	16.3	18.3
Net Profit Margins (%)	7.8	11.6	12.0
Interest cover (times)	61.35	55.62	33.02
NCA / Total Debt (times)	5.74	17.15	8.41
Gearing (times)	0.02	0.01	0.02
Total Debt / PBDIT (times)	0.09	0.03	0.07

Penguin Books India Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Stable
Rating History				
25/Sep/2009	A+	-	-	Stable

Company Background:

Penguin Books India Private Limited (PBIPL) was incorporated in 1987 as a 55:45 joint venture between Penguin Publishing Company Ltd, UK (PPCL) and Ananda Publishers Pvt Ltd (Ananda). PPCL is a subsidiary of Penguin Books (UK), which, in turn, is a subsidiary of Pearson PLC (Pearson; rated 'BBB+/Stable/A-2' by Standard & Poor's), a UK-based education and media conglomerate. The Penguin group is a leading publisher of fiction and non-fiction books in the UK, New Zealand, Ireland, Australia, and India. Ananda is a large publishing house based in Kolkata; it is a group company of ABP Pvt Ltd, which is the owner of newspapers, Anand Bazar Patrika and The Telegraph.

Pearson is the largest book publisher in the UK, India, Australia, and New Zealand, and the second-largest in the US and Canada. Pearson comprises of Pearson Education, Penguin group, and Financial Times.

Rating Strengths

- Robust financial risk profile marked by strong capital structure and healthy debt protection measures
- Strong operational and financial support from parent, Pearson
- Strong business profile supported by leading market position in both fiction and non-fiction books

Rating Weaknesses

- Small scale of operations despite longstanding presence in publishing industry; operating income vulnerable to success of new titles
- Working capital-intensive nature of operations

Outlook:Stable

CRISIL believes that PBIPL will continue to benefit over the medium term from the strong financial and operational support from its parent. PBIPL's financial risk profile is expected to remain robust over the medium term, backed by negligible debt on its books and adequate cash accruals vis-à-vis its debt-related obligations. The outlook may be revised to 'Positive' if PBIPL achieves substantial growth in operating income and improves its profitability. Conversely, the outlook may be revised to 'Negative' if PBIPL's operating income and profitability decline, its working capital requirements increase because of an increase in debtor levels, or its parent's credit risk profile deteriorates.

Key Rating Sensitivity Factors

- Continued financial and operational support from Pearson
- Changes in credit risk profile of Pearson
- Extent of improvement in operating margins, driven by revenue growth
- Management of receivables

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	792	752	1061
OPBDIT	86	8	161
PAT	49	-1	100
Tangible Networth	456	329	331
Total Debt	1	3	2

OPBDIT Margins (%)	10.7	1.1	14.9
Net Profit Margins (%)	6.2	-0.2	9.3
Interest cover (times)	42.90	6.15	155.89
NCA / Total Debt (times)	45.05	1.86	53.69
Gearing (times)	0.00	0.01	0.01
Total Debt / PBDIT (times)	0.01	0.28	0.01

PI Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
24/Oct/2011	A	-	A1	Stable
29/Jan/2011	A-		A2+	Positive
22/Feb/2010	BBB+		A2	Stable
26/Dec/2008	BBB-		A3	Stable

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of PI Industries Limited (PI) and its wholly owned subsidiaries, PIIL Finance & Investments Ltd (PFIL), PI Life Science Research Ltd (PLSRL), and PI Japan Co Ltd (PJCL), together referred to as the PI group. PFIL handles the investment activities of PI, while PLSRL handles the contract research and development (R&D) activities, and PJCL is the group's marketing front in Japan.

PI was established in 1947 by the late Mr. P P Singhal, father of the current chairman, Mr. Salil Singhal, as an edible oil refinery unit. The company later ventured into the agrochemical formulations business, which currently is its major revenue driver. In 1978, the company diversified into mining and mineral processing, which was hived off into a separate company, Wolkem India Ltd. PI entered the energy-metering business in the 1980s, which was also hived off into a separate company, Secure Meters Ltd. To overcome cyclicality in the agrochemicals industry, PI diversified into the polymer compounding business in the 1990s, which was sold to Rhodia SA, France in December 2010. Furthermore, in the mid 1990s, PI diversified into the custom synthesis and manufacturing (CSM) business for global agrochemical innovator companies. The PI group has agrochemical manufacturing facilities and five multiproduct plants for CSM in Panoli (Gujarat), one formulation facility in Jammu (Jammu and Kashmir), and one R&D unit in Udaipur (Rajasthan). The group plans to set up two additional multi-product plants for its CSM division over the medium term at a cost of Rs.1.25 billion.

Rating Strengths

- Established presence in agrochemical business with improving profitability
- Above-average financial risk profile
- Expanding market share in high-margin CSM business, offering improved revenue visibility & stable profitability

Rating Weaknesses

- Susceptibility to cyclicality in agrochemicals industry
- Large working capital requirements

Outlook: Stable

CRISIL believes that the PI group's credit risk profile will remain stable over the medium term, driven by its increasing scale of operations in both the CSM and agricultural input businesses. The group is also expected to benefit from its improving profitability in agricultural inputs business because of increasing revenue share from in-licensed and co-marketed products. The outlook may be revised to 'Positive' if the group sustains its consolidated revenue growth and profitability, while it diversifies its customer base in the CSM division. On the other hand, the outlook may be revised to 'Negative' if the PI group is unable to maintain the growth in its revenue or if its operating margin declines, leading to deterioration in its capital structure, or if it undertakes a large debt-funded capital expenditure (capex) programme without adequately tying up for its enhanced capacities.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- More-than-expected revenue and margins in CSM segment
- Change in approach of making capex towards CSM only against orders

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	7897	5939	5171
OPBDIT	1247	881	657
PAT	651	419	235
Tangible Networth	2106	1514	904
Total Debt	2389	1425	1998

OPBDIT Margins (%)	15.7	14.8	12.7
Net Profit Margins (%)	8.2	7.0	4.5
Interest cover (times)	9.23	4.57	2.75
NCA / Total Debt (times)	0.31	0.38	0.18
Gearing (times)	1.13	0.94	2.21
Total Debt / PBDIT (times)	1.99	1.58	2.99

Piaggio Vehicles Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
17/ Feb/2009	A+	-	A1+	Stable

Company Background

Piaggio Vehicles Pvt Ltd (Piaggio) was incorporated in 1998 as a joint venture (JV) between Piaggio & C SpA, Italy (P&C; rated 'BB/Negative' by Standard & Poor's). and Greaves Ltd (Greaves). P&C is a manufacturer of scooters, motorcycles, and light transportation vehicles with brands such as Vespa, Aprilia, Scarabeo, Moto Guzzi, Gilera, and Derbi, besides Piaggio. The JV began manufacturing three-wheelers by taking over the auto division of Greaves in Baramati (Maharashtra). In 2001, P&C acquired the entire stake in the JV, and Piaggio became a wholly owned subsidiary of P&C. Piaggio manufactures and sells three-wheelers, and deals in spare parts for three-wheelers. It launched four-wheelers in the domestic light commercial vehicle (LCV) segment in 2007 and commissioned an engine manufacturing facility in 2010, from where it supplies engines to its parent. This facility will also cater to the proposed two-wheeler manufacturing plant that will commence production in 2012. Piaggio's plant in Baramati had capacity to manufacture 216,000 units of three-wheelers, 53,400 units of four-wheelers and 100,000 petrol engines per annum as on March 31, 2010.

Piaggio has spent Rs.3.8 billion on the new engine manufacturing plant that was completed in 2010 and is investing Rs.2 billion on the two-wheeler plant expected to be completed in 2012. The engines facility will also cater to Piaggio's future launches in the four-wheeler LCV and in the petrol-powered three-wheeler segments. The two-wheeler facility will mark the return of Piaggio in scooters. The models will likely be launched in early 2012 under the Vespa brand.

Rating Strengths

- Strong market position in three-wheeler segment
- Adequate financial risk profile

Rating Weaknesses

- Concentration in three-wheeler segment and low market share in sub-one-tonne LCVs
- High dividend payout to parent

Outlook: Stable

CRISIL believes that Piaggio will maintain its strong presence in the three-wheeler segment in India while benefiting from the ongoing initiatives to diversify its business risk profile. The outlook may be revised to 'Positive' if the company substantially improves its share in the four-wheel LCV segment and should it stabilise the newly established facilities earlier than envisaged. Conversely, the outlook may be revised to 'Negative' in case of delays in stabilizing the new facilities or if there is further debt-funded capital expenditure (capex), leading to deterioration in the financial risk profile or in case of higher-than-expected dividend payout to P&C.

Key Rating Sensitivity Factors

- Extent of debt-funded capex
- Performance of newly completed facilities
- Ability to gain market share in LCV segment
- Extent of dividend payout to parent

Financial Performance (Not Published)

Plant Lipids Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
19/Nov/2008	A+	-	A1	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Plant Lipids Pvt Ltd (PLPL) and PLPL's three associate companies, Aromatic Ingredients Pvt Ltd (AIPL), Blue Ridge Farm Ltd (BRFL), and Tropical Flavours Pvt Ltd (TFPL), together called Plant Lipids group (PL group).

Incorporated by Mr. C J George in 1979, PLPL is engaged in the manufacture of spice oils, oleoresins, and natural food colours from extracts of spices, aromatic plants, and agricultural products. The company is a recognised export house, certified by the Government of India (GoI).

Rating Strengths

- Leading player in spice oil and oleoresin market
- Healthy financial risk profile

Rating Weaknesses

- Operating margin susceptible to fluctuation in raw material prices and foreign exchange rates
- Working-capital-intensive operations

Outlook: Stable

CRISIL believes that the PL group will maintain its healthy financial and business risk profiles and retain its market leadership in the export of spice oils and oleoresins, over the medium term. The outlook may be revised to 'Positive' if the group's financial risk profile improves significantly, most likely driven by more-than-expected increase in cash accruals as a result of improvement in its operating margin. Conversely, the outlook may be revised to 'Negative' if the PL group is unable to pass on increases in raw material prices to customers, thus adversely affecting its profitability, or undertakes a larger-than-expected debt-funded capital expenditure programme, thereby weakening its capital structure.

Key Rating Sensitivity Factors

- Extent of volatility in raw material prices

Financial Performance (Consolidated)

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2524	2530	1982
OPBDIT	339	363	266
PAT	158	126	141
Tangible Networth	1558	1408	1291
Total Debt	678	600	592

OPBDIT Margins (%)	13.1	13.9	13.0
Net Profit Margins (%)	6.1	4.8	6.9
Interest cover (times)	11.62	5.61	9.46
NCA / Total Debt times)	0.37	0.38	0.40
Gearing (times)	0.44	0.43	0.46
Total Debt / PBDIT (times)	1.94	1.71	1.70

Plastiblends India Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
13/Jun/2011	A+	-	A1	Stable
07/Jul/2009	A+	-	-	Stable

Company Background:

Incorporated in 1991 by the Kabra family, Plastibends India Ltd (PBIL) is part of the Kolsite group of companies. The company manufactures masterbatches in India, a compound used primarily as a colouring agent for plastics. It also manufactures anti-fibrillation masterbatches used in manufacturing polymer-based woven sacks. The company's plants in Daman and in Roorkee (Uttrakhand) have a combined production capacity of 43,000 tonnes per annum.

Rating Strengths

- Established presence in masterbatch business
- Robust financial risk profile

Rating Weaknesses

- Vulnerability of operating margin to volatility in raw material prices
- Exposure to intense competition in masterbatch industry

Outlook: Stable

CRISIL believes that PBIL will continue to benefit from its healthy market position over the medium term. The outlook may be revised to 'Positive' if PBIL's operating revenues and margin increase substantially. Conversely, the outlook may be revised to 'Negative' if PBIL contracts large quantum of debt to fund its capital expenditure (capex), thereby adversely affecting its capital structure, or if there is continued pressure on its profitability.

Key Rating Sensitivity Factors

- Impact of volatility in polymer prices
- Extent and funding-mix of capex

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2103	1673	1572
OPBDIT	197	181	187
PAT	104	118	159
Tangible Networth	821	762	697
Total Debt	290	129	210

OPBDIT Margins (%)	9.4	10.8	11.9
Net Profit Margins (%)	5.0	7.0	10.1
Interest cover (times)	9.56	8.41	11.40
NCA / Total Debt (times)	0.32	0.74	0.62
Gearing (times)	0.35	0.17	0.30
Total Debt / PBDIT (times)	1.46	0.61	0.92

Poddar Pigments Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
22/Jul/2010	A	-	A1	Stable
30/Mar/2009	A-	-	A2+	Stable

Company Background:

Set up in 1991, Poddar Pigments Ltd (PPL) manufactures colour and additive masterbatches for the dope dyeing of synthetic fibres, various plastic components, and engineering plastics and compounds. Its manufacturing facility in Jaipur (Rajasthan) has capacity to manufacture 9,000 tonnes of specialty masterbatches per annum. The company plans to increase its masterbatch manufacturing capacity to 12,000 mtpa at a cost of around Rs.150 million and 80 per cent of the cost will be funded by debt.

Rating Strengths

- Healthy financial risk profile
- Established presence in masterbatch industry, and longstanding relationships with large customers

Rating Weaknesses

- Working-capital-intensive operations
- Modest scale of operations and revenue concentration

Outlook: Stable

CRISIL believes that PPL will maintain its healthy financial risk profile on the back of its established presence in the masterbatch industry, resulting in stable cash accruals. The outlook may be revised to 'Positive' if the company sustains growth in its revenues over the near to medium term, while maintaining its operating margin and healthy capital structure. Conversely, the outlook may be revised to 'Negative' if the company's planned debt-funded capital expenditure (capex) does not generate adequate revenues or if PPL's operating margin declines, thus adversely affecting its financial risk profile.

Key Rating Sensitivity Factors

- Extent and funding-mix of capex
- Working capital management
- Maintenance of profitability margins
- Extent of revenue diversity

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1514	1182	976
OPBDIT	133	97	74
PAT	142	40	38
Tangible Networth	467	382	342
Total Debt	91	118	146
OPBDIT Margins (%)	8.7	8.0	7.5
Net Profit Margins (%)	9.3	3.3	3.8
Interest cover (times)	17.36	5.34	7.75
NCA / Total Debt (times)	1.80	0.52	0.42
Gearing (times)	0.19	0.31	0.43
Total Debt / PBDIT (times)	0.44	1.16	1.64

Poly Medicure Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
13/ May / 2011	A	-	A1	Stable
07/ Jul /2008	A-	-	A2+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the financial and business risk profiles of Poly Medicure Ltd (Poly Medicure), and its subsidiaries Poly Medicure (Laiyang) Co Ltd (PMLCL) in China, and US Safety Syringes Co, LLC (USSS) in the US. These entities are collectively referred to as the Poly Medicure combine. Poly Medicure holds five patents for medical devices in the US through USSS and plans to utilise PMLCL's manufacturing unit as a low-cost manufacturing base for the European market over the medium term. The combine caters to the African market through UMP, its joint venture with the El-Agar group.

Incorporated in 1995, Poly Medicure manufactures disposable medical items, such as intravenous cannulae, blood bags, blood storage tubes, and infusion and transfusion sets. The company derives more than 75 per cent of its revenues from exports; the exports are to more than 75 countries. It commenced production in 1997 in Faridabad (Haryana). It has added two more manufacturing units since then a 100 per cent export-oriented unit in Faridabad, and a unit in Haridwar (Uttar Pradesh) catering to the Indian market. As on December 31, 2009, the company's total production capacity was more than 260 million pieces per annum. Poly Medicure recently announced plans to increase its production capacity to 400 million pieces per annum by 2011-12, at a cost of Rs.400 million.

Rating Strengths

- Healthy financial risk profile
- Strong operating efficiencies

Rating Weaknesses

- Limited presence of own brand products in overseas markets
- Vulnerability to rising raw material prices and volatility in foreign exchange movements

Outlook: Stable

CRISIL believes that the Poly Medicure combine's business risk profile will remain strong over the medium term, given the combine's plans of increasing its production capacities, backward integration, and having received US Food and Drug Authority approval for its Faridabad unit. The combine's financial risk profile is marked by a low gearing, and healthy debt protection indicators. The outlook may be revised to 'Positive' if the combine improves its profitability through improvement in its market position. Conversely, the outlook may be revised to 'Negative' if the Poly Medicure combine's capital structure deteriorates, most likely because of larger-than-expected, debt-funded capital expenditure (capex), decline in export realisations, or incurrence of substantial losses because of fluctuations in forex rates.

Key Rating Sensitivity Factors

- Higher than expected losses on derivatives
- Capex plans and their funding mix
- Inorganic expansion plans

Financial Performance

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1,338	1,109	867
OPBDIT	337	279	123
PAT	164	57	79
Tangible Networth	573	444	410
Total Debt	420	441	431
OPBDIT Margins (%)	24.8	24.8	13.9
Net Profit Margins (%)	12.1	5.1	8.9
Interest cover (times)	7.07	5.16	2.83
NCA / Total Debt times)	0.48	0.24	0.28
Gearing (times)	0.73	0.99	1.05
Total Debt / PBDIT (times)	1.39	2.38	2.36

Power Mech Projects Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
19/Dec/2011	A-	-	A2+	Stable
22/Oct/2010	BBB+	-	A2	Stable
09/Jun/2008	BBB	-	A3+	Stable

Company Background

Power Mech Projects Ltd (Power Mech) was set up in 1999 as a private limited company by Mr. S Kishore Babu. In 2007-08, it was reconstituted as a public company. Power Mech is in the business of erecting, testing, and commissioning turbines, boilers, and critical pipes, and other ancilliary equipment. It also undertakes heavy fabrication and erection of structural steel works, and overhaul and maintenance of thermal power plants. The projects are undertaken on a contract basis from power generation companies, state electricity boards (SEBs), and heavy electrical equipment manufacturers, among others.

Rating Strengths

- Healthy financial risk profile
- Improving market position in power plant construction, supported by its sizeable order book

Rating Weakness

- Working-capital-intensive operations

Outlook: Stable

CRISIL believes that Power Mech will maintain its healthy financial risk profile on the back of robust order book and healthy cash accruals, over the medium term. The outlook may be revised to 'Positive' if the company achieves significantly higher-than-expected growth in its revenues, while it maintains its profitability, and capital structure. Conversely, the outlook may be revised to 'Negative' if Power Mech's scale of operations reduces or profitability declines, or if the company undertakes a larger-than-expected, debt-funded capital expenditure (capex) programme, leading to deterioration in its financial risk profile, particularly its liquidity.

Key Rating Sensitivity Factors

- Major debt-funded capex
- Time overrun of projects
- Working capital management

Financial Performance

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	4,916	3,184	1,524
OPBDIT	763	436	290
PAT	310	150	100
Tangible Networth	1,041	352	218
Total Debt	552	736	406
OPBDIT Margins (%)	15.5	13.7	18.8
Net Profit Margins (%)	6.3	4.7	6.5
Interest cover (times)	9.64	7.31	5.76
NCA / Total Debt times)	0.96	0.38	0.47
Gearing (times)	0.53	2.09	1.86
Total Debt / PBDIT (times)	0.70	1.64	1.35

Prasad & Company (Project Works) Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
05/May/2008	A-	-	A2+	Stable

Company Background:

Set up as a partnership concern in 1963, Prasad & Company (Project Works) Ltd (PCPL) was reconstituted as a private limited company in 1983 and as a public limited company in 2001. PCPL is an infrastructure development company and undertakes civil and infrastructure construction projects, mainly in Andhra Pradesh, Tamil Nadu, West Bengal, Maharashtra, and Sikkim. Founded by the late Mr. Sagi Ramakrishnam Raju, PCPL is being managed by his son, Mr. Sagi Prasad Raju.

Rating Strengths

- Sound track record in civil construction industry and strong order book
- Adequate financial risk profile

Rating Weaknesses

- Limited diversity in revenue profile
- Working-capital-intensive operations
- Susceptibility to intense competition in construction industry

Outlook: Stable

CRISIL believes that PCPL will maintain its business risk profile over the medium term, backed by a healthy order book. The outlook may be revised to 'Positive' if there is significant improvement in PCPL's business and financial risk profiles, most likely driven by increase in revenues and healthy funding-mix for future projects, and increase in revenue diversity. Conversely, the outlook may be revised to 'Negative' if the company faces delays in recovery of receivables, extends sizeable funds to associate entities, or undertakes larger-than-expected debt-funded capital expenditure programme.

Key Rating Sensitivity Factors

- Slowdown in infrastructure growth
- Funding mix of upcoming build-operate-transfer (BOT) projects and other future projects

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	5129	5123	7301
OPBDIT	725	727	776
PAT	285	232	331
Tangible Networth	1705	1438	1224
Total Debt	1747	1125	1569
OPBDIT Margins (%)	13.9	14.0	10.6
Net Profit Margins (%)	5.5	4.5	4.5
Interest cover (times)	4.44	4.38	4.48
NCA / Total Debt (times)	0.25	0.35	0.34
Gearing (times)	1.02	0.78	1.28
Total Debt / PBDIT (times)	2.35	1.54	1.75

Pratibha CRFG JV

Date	LT	FD	ST	Outlook
Current Rating				
	A-(SO)		A2+(SO)	Stable
Rating History				
21/Oct/2011	A- (SO)	-	A2+ (SO)	Stable

Company Background:

CRISIL's ratings on the bank facilities of Pratibha CRFG JV (Pratibha CRFG) are based on the unconditional and irrevocable guarantee provided by Pratibha CRFG's parent, Pratibha Industries Ltd (PIL; rated 'CRISIL A-/Stable/CRISIL A2+'; part of the Pratibha group) for Pratibha CRFG's entire bank facilities of Rs.1.5 billion. The rating thus reflects the strength of the guarantor, PIL, and is supported by a payment mechanism that ensures that the debt obligations on the rated instruments are serviced on time.

Pratibha CRFG, a joint venture between PIL and China Rail First Group (CRFG) of China, has been awarded a Rs.4.67-billion order from Delhi Metro Rail Corporation (DMRC) for two segments of the underground metro rail network being built by DMRC. The scope of the project includes designing, engineering, and construction of two sections of underground twin tunnels for the third phase of DMRC's Mass Rapid Transit System (MRTS) project – one section is from Janpath to Mandi House and the other is from Janpath to Central Secretariat, including the construction of one station at Janpath and extension of a station at Mandi House. The project is scheduled for completion by May 2014.

PIL, the flagship company of the Pratibha group, was set up in 1982 by Mr. Ajit Kulkarni. The company is engaged in infrastructure development, with focus on water supply and environment engineering projects, and urban infrastructure projects. In the water segment, PIL executes a range of projects such as laying water pipelines, sewerage treatment plant, water reservoirs, water storage systems, and tunnelling. In the urban infrastructure segment, PIL is engaged in building and modernising airports and railway stations, and construction of high-rise buildings, mass housing and shopping malls. PIL has installed capacity of 90,000 tonnes per annum for manufacturing helical submerged arc-welded (HSAW) pipes. Its pipe division also has a crucial coating (3 LP coating) plant, with capacity of 1.8 million square metres per annum.

Rating Strengths (NA)

Rating Weakness (NA)

Outlook: Stable

The rating outlook on Pratibha CRFG is based on CRISIL's rating outlook on the guarantor, PIL. The rating outlook on Pratibha CRFG may be revised if there is any revision in the rating outlook on PIL.

Key Rating Sensitivity Factors

- Fulfilment of obligations referred to under unconditional and irrevocable guarantee from PIL
- Changes in PIL's credit risk profile

Financial Performance (PIL Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	14,710	10,977	9,727
OPBDIT	2,017	1,661	1,179
PAT	788	620	524
Tangible Networth	5,420	3,280	2,717
Total Debt	6,092	5,362	3,120

Ratio Analysis (PIL Consolidated)

OPBDIT Margins (%)	13.6	15.1	12.1
Net Profit Margins (%)	5.3	5.6	5.4
Interest cover (times)	2.66	2.74	2.62
NCA / Total Debt (times)	0.16	0.14	0.16
Gearing (times)	1.12	1.63	1.15
Total Debt / PBDIT (times)	2.81	3.23	2.52

Pratibha Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		**A2+**	**Stable**
Rating History				
05/May/2008	**A-**	**-**	**A2+**	**Stable**

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Pratibha Industries Ltd (PIL), Pratibha Pipes and Structural Ltd (PPSL), Pratibha Ostu-Stettin Joint Venture (Pratibha Ostu JV), and two special-purpose vehicles (SPVs), Prime Infrapark Pvt Ltd (PIPL) and Bhopal Sanchi Highways Pvt Ltd (Bhopal Sanchi). The entities are collectively referred to as the Pratibha group.

PIL: Set up in 1982 by Mr. Ajit Kulkarni, PIL specialises in water supply projects, and has also ventured into urban infrastructure and special projects such as tunneling, airports, and surface transport. Additionally, PIL commissioned its helical submerged arc-welded (HSAW) pipe division in 2007-08 with a capacity of 90,000 tonnes per annum. PIL is demerging the HSAW pipe division to Pratibha Pipes and Structurals Ltd (PPSL) in order to separate infrastructure and manufacturing into different entities.

PPSL: Established in 1996, PPSL manufactures submerged arc-welded (SAW) pipes, and offers mechanical and custom-built structural (CBS) steel solutions. PPSL was envisaged as a vehicle for backward integration of PIL, the flagship company of the Pratibha group. PPSL lends competitive advantage to PIL's offerings.

Pratibha Östu JV: Pratibha Östu JV is an association of persons (AoP) formed in October 2006 between PIL and Östu Stettin Hoch und Tief Bau GmbH (Ostu Stettin), Austria, to undertake construction of an underground tunnel at Modaksagar dam, at Vaitarna, about 125 kilometres (km) from Mumbai.

PIPL and Bhopal Sanchi are undertaking build-operate-transfer (BOT) projects in Delhi and Bhopal respectively.

Rating Strengths

- Robust revenue growth with sizeable order book
- Healthy financial risk profile
- Backward integration into pipe manufacturing, leading to better operating efficiency

Rating Weaknesses

- Exposure to risks related to BOT projects
- Working-capital-intensive operations

Outlook: Stable

CRISIL believes that the Pratibha group will maintain its healthy business risk profile over the medium term, supported by steady increase in revenues on the back of its sizeable order book. The group's capital structure is expected to remain healthy over the medium term, as the group prudently bids for projects -it is focused on profit-driven growth and has a policy of maintaining low gearing. The outlook may be revised to 'Positive' in case there is a substantial increase in group's revenues, while maintaining its profit margins or if the group improves its working capital management. Conversely, the outlook may be revised to 'Negative' if there is a steep decline in the group's profit margins, or there is a significant deterioration in its capital structure on account of larger-than-expected working capital requirements.

Key Rating Sensitivity Factors

- Maintenance of operating profitability margins amid volatile raw material prices and increased funding costs
- Larger-than-expected debt-funded capital expenditure or acquisitions
- Timely execution of BOT projects
- Working capital management

Financial Performance (PIL Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	14,710	10,977	9,727
OPBDIT	2,017	1,661	1,179
PAT	788	620	524
Tangible Networth	5,420	3,280	2,717
Total Debt	6,092	5,362	3,120
OPBDIT Margins (%)	13.6	15.1	12.1
Net Profit Margins (%)	5.3	5.6	5.4
Interest cover (times)	2.66	2.74	2.62
NCA / Total Debt (times)	0.16	0.14	0.16
Gearing (times)	1.12	1.63	1.15
Total Debt / PBDIT (times)	2.81	3.23	2.52

Pratibha Östu Stettin Joint Venture

Date	LT	FD	ST	Outlook
Current Rating				
	A- (SO)		A2+(SO)	Stable
Rating History				
27/Apr/2009	A- (SO)	-	A2+(SO)	Stable

Company Background:

CRISIL's ratings on the bank facilities of Pratibha Östu Stettin Joint Venture (Pratibha Östu JV) continue to be based on an unconditional and irrevocable guarantee provided by Pratibha Östu JV's parent, Pratibha Industries Ltd (PIL; rated 'CRISIL A-/Stable/CRISIL A2+'). The guarantee covers the entire principal, interest, and letter-of-credit-related payments on the rated facilities. The ratings thus reflect the strength of the guarantor, PIL, and are supported by a payment mechanism that ensures that debt obligations on the rated instruments are serviced on time.

Pratibha Östu JV was formed in October 2006 as a JV by PIL and Östu Stettin Hoch und Tief Bau GmbH (Östu Stettin), Austria, to undertake the construction of a 7.5 kilometre-(km) underground tunnel at Modaksagar Dam in Vaitarna, around 125 km from Mumbai. The project is part of the Mumbai–IV water supply project being undertaken by the Brihan Mumbai Municipal Corporation (BMC), which envisages the supply of 455 million litres per day of water for Mumbai. The project has been funded by the Jawaharlal Nehru National Urban Renewal Mission, the Government of Maharashtra, and BMC. The 7.5-km tunnel, earlier expected to be completed by December 2011, is likely to be completed by August 2012.

Rating Strengths (NA)

Rating Weaknesses (NA)

Outlook: Stable

The rating outlook on Pratibha Ostu JV is based on CRISIL's rating outlook on the guarantor, PIL. The outlook on Pratibha Ostu JV's bank facilities may be revised if there is any revision in the outlook on PIL.

Key Rating Sensitivity Factors

- Fulfilment of obligations referred to under unconditional and irrevocable guarantee from PIL
- Changes in PIL's credit risk profile

Financial Performance (PIL - Consolidated)

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	14,710	10,977	9,727
OPBDIT	2,017	1,661	1,179
PAT	788	620	524
Tangible Networth	5,420	3,280	2,717
Total Debt	6,092	5,362	3,120

Ratio Analysis (PIL - Consolidated)

OPBDIT Margins (%)	13.6	15.1	12.1
Net Profit Margins (%)	5.3	5.6	5.4
Interest cover (times)	2.66	2.74	2.62
NCA / Total Debt times)	0.16	0.14	0.16
Gearing (times)	1.12	1.63	1.15
Total Debt / PBDIT (times)	2.81	3.23	2.52

Pratibha Pipes and Structural Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
05/May/2008	A-	-	A2+	Stable

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Pratibha Industries Ltd (PIL), Pratibha Pipes and Structural Ltd (PPSL), Pratibha Ostu-Stettin Joint Venture (Pratibha Ostu JV), and two special-purpose vehicles (SPVs), Prime Infrapark Pvt Ltd (PIPL) and Bhopal Sanchi Highways Pvt Ltd (Bhopal Sanchi). The entities are collectively referred to as the Pratibha group.

PIL: Set up in 1982 by Mr. Ajit Kulkarni, PIL specialises in water supply projects, and has also ventured into urban infrastructure and special projects such as tunneling, airports, and surface transport. Additionally, PIL commissioned its helical submerged arc-welded (HSAW) pipe division in 2007-08 with a capacity of 90,000 tonnes per annum. PIL is demerging the HSAW pipe division to Pratibha Pipes and Structurals Ltd (PPSL) in order to separate infrastructure and manufacturing into different entities.

PPSL: Established in 1996, PPSL manufactures submerged arc-welded (SAW) pipes, and offers mechanical and custom-built structural (CBS) steel solutions. PPSL was envisaged as a vehicle for backward integration of PIL, the flagship company of the Pratibha group. PPSL lends competitive advantage to PIL's offerings.

Pratibha Östu JV: Pratibha Östu JV is an association of persons (AoP) formed in October 2006 between PIL and Östu Stettin Hoch und Tief Bau GmbH (Ostu Stettin), Austria, to undertake construction of an underground tunnel at Modaksagar dam, at Vaitarna, about 125 kilometres (km) from Mumbai.

PIPL and Bhopal Sanchi are undertaking build-operate-transfer (BOT) projects in Delhi and Bhopal respectively.

Rating Strengths

- Robust revenue growth with sizeable order book
- Healthy financial risk profile
- Backward integration into pipe manufacturing, leading to better operating efficiency

Rating Weaknesses

- Exposure to risks related to BOT projects
- Working-capital-intensive operations

Outlook: Stable

CRISIL believes that the Pratibha group will maintain its healthy business risk profile over the medium term, supported by steady increase in revenues on the back of its sizeable order book. The group's capital structure is expected to remain healthy over the medium term, as the group prudently bids for projects -it is focused on profit-driven growth and has a policy of maintaining low gearing. The outlook may be revised to 'Positive' in case there is a substantial increase in group's revenues, while maintaining its profit margins or if the group improves its working capital management. Conversely, the outlook may be revised to 'Negative' if there is a steep decline in the group's profit margins, or there is a significant deterioration in its capital structure on account of larger-than-expected working capital requirements.

Key Rating Sensitivity Factors

- Maintenance of operating profitability margins amid volatile raw material prices and increased funding costs
- Larger-than-expected debt-funded capital expenditure or acquisitions
- Timely execution of BOT projects
- Working capital management

Financial Performance (PIL Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	14,710	10,977	9,727
OPBDIT	2,017	1,661	1,179
PAT	788	620	524
Tangible Networth	5,420	3,280	2,717
Total Debt	6,092	5,362	3,120
OPBDIT Margins (%)	13.6	15.1	12.1
Net Profit Margins (%)	5.3	5.6	5.4
Interest cover (times)	2.66	2.74	2.62
NCA / Total Debt (times)	0.16	0.14	0.16
Gearing (times)	1.12	1.63	1.15
Total Debt / PBDIT (times)	2.81	3.23	2.52

Precision Pipes and Profiles Company Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
26/Feb/2009	A+	-	A1	Stable

Company Background:

Precision Pipes and Profiles Company Ltd (Precision Pipes), set up in 1978 as a partnership firm by Mr. D C Jain, Ms. Asha Jain, and Ms. Vinay Kumari Jain, was reconstituted as a public limited company in 1995. The company manufactures and supplies profiles to customers in the automobile, white goods, and other segments. It derives more than 90 per cent of its revenues from the automobile segment, while the white goods segment accounts for 5 per cent of its revenues. In January 2008, Precision Pipes raised Rs.750 million through an initial public offering.

Rating Strengths

- Leadership position in polyvinyl chloride (PVC)/thermo plastic olefins (TPO) profiles, and strong relationships with large original equipment manufacturers (OEMs)
- Healthy financial risk profile marked by comfortable capital structure and strong debt protection measures

Rating Weaknesses

- Exposure to risks related to high customer and end user concentration
- Vulnerability to volatility in raw material prices

Outlook: Stable

CRISIL believes that Precision Pipes will maintain its established position in the PVC/TPO profiles and sealings-for-automotive segment, and strong capital structure over the medium term. The outlook may be revised to 'Positive' if Precision Pipes increases its sales and maintains its operating margin and capital structure at current levels. Conversely, the outlook may be revised to 'Negative' if the company's operating margin declines sharply or its capital structure weakens because of large debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Capacity utilisation and sales ramp up at Surajpur unit
- Maintenance of healthy operating margin
- Maintenance of established relationship with large OEMs and technology collaborators
- Capex plans and their funding mix

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1704	1273	1258
OPBDIT	416	298	382
PAT	97	106	190
Tangible Networth	1408	1346	1260
Total Debt	334	376	147
OPBDIT Margins (%)	24.4	23.3	30.2
Net Profit Margins (%)	5.7	8.3	15.0
Interest cover (times)	8.14	11.25	15.35
NCA / Total Debt (times)	0.72	0.51	1.47
Gearing (times)	0.24	0.28	0.12
Total Debt / PBDIT (times)	0.82	1.22	0.38

Premier Cotton Textiles

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Positive
Rating History				
17/Nov/2010	A+	-	A1+	Positive
28/May/2008	A+	-	A1+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of eight entities in the Premier group, namely Coimbatore Polytex Private Ltd, Premier Mills Private Limited, Sri Narasimha Textiles Pvt Ltd, Premier Spinning and Weaving Mills Pvt Ltd, Prima Products Pvt Ltd, Premier Cotton Textiles, Lakshmi Narasimha Textiles Pvt Ltd, and Premier Fine Linens Pvt Ltd.

The Premier group was set up in 1945 by Mr. V N Ramachandran. Over the years, it has grown into an established textile house in southern India, with presence in the entire textile value chain. The spinning division accounts from nearly 66 per cent of the group's turnover, while made-ups and cloth account for the remainder. Exports accounted for 50 per cent of the total turnover in 2009-10.

Rating Strengths

- Established presence across textile value chain
- Diversified revenue profile, with strong market position and operating efficiency
- Moderate financial risk profile

Rating Weaknesses

- Volatility in raw material prices
- Exposure to fluctuations in value of rupee

Outlook: Positive

CRISIL believes that the Premier group's capital structure and operating efficiency will improve and that the group will maintain its strong liquidity over the medium term. The rating may be upgraded if the group reports strong growth in its revenues while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Stable' if the group contracts more-than-expected debt to fund its capital expenditure or working capital requirements, or there is a steep decline in yarn realisations, adversely affecting its operating margin, or if there is lesser-than-expected business synergy among the group entities.

Key Rating Sensitivity Factors

- Fluctuations in cotton prices and rupee appreciation
- Continuation of family group synergies

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	6925	6218	6438
OPBDIT	1705	1404	1699
PAT	498	192	299
Tangible Networth	5101	4583	4388
Total Debt	7257	8114	8413
OPBDIT Margins (%)	22.8	20.8	24.8
Net Profit Margins (%)	6.7	2.8	4.4
Interest cover (times)	4.41	2.42	3.45
NCA / Total Debt (times)	0.19	0.11	0.12
Gearing (times)	1.42	1.77	1.92
Total Debt / PBDIT (times)	3.64	5.06	4.68

Premier Fine Linens Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Positive
Rating History				
17/Nov/2010	A+		A1+	Positive
28/May/2008	A+		A1+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of eight entities in the Premier group, namely Coimbatore Polytex Private Ltd, Premier Mills Private Limited, Sri Narasimha Textiles Pvt Ltd, Premier Spinning and Weaving Mills Pvt Ltd, Prima Products Pvt Ltd, Premier Cotton Textiles, Lakshmi Narasimha Textiles Pvt Ltd, and Premier Fine Linens Pvt Ltd.

The Premier group was set up in 1945 by Mr. V N Ramachandran. Over the years, it has grown into an established textile house in southern India, with presence in the entire textile value chain. The spinning division accounts from nearly 66 per cent of the group's turnover, while made-ups and cloth account for the remainder. Exports accounted for 50 per cent of the total turnover in 2009-10.

Rating Strengths

- Established presence across textile value chain
- Diversified revenue profile, with strong market position and operating efficiency
- Moderate financial risk profile

Rating Weaknesses

- Volatility in raw material prices
- Exposure to fluctuations in value of rupee

Outlook: Positive

CRISIL believes that the Premier group's capital structure and operating efficiency will improve and that the group will maintain its strong liquidity over the medium term. The rating may be upgraded if the group reports strong growth in its revenues while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Stable' if the group contracts more-than-expected debt to fund its capital expenditure or working capital requirements, or there is a steep decline in yarn realisations, adversely affecting its operating margin, or if there is lesser-than-expected business synergy among the group entities.

Key Rating Sensitivity Factors

- Fluctuations in cotton prices and rupee appreciation
- Continuation of family group synergies

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	6925	6218	6438
OPBDIT	1705	1404	1699
PAT	498	192	299
Tangible Networth	5101	4583	4388
Total Debt	7257	8114	8413

Ratio Analysis (Consolidated)

OPBDIT Margins (%)	22.8	20.8	24.8
Net Profit Margins (%)	6.7	2.8	4.4
Interest cover (times)	4.41	2.42	3.45
NCA / Total Debt (times)	0.19	0.11	0.12
Gearing (times)	1.42	1.77	1.92
Total Debt / PBDIT (times)	3.64	5.06	4.68

Premier Mills Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Positive
Rating History				
17/Nov/2010	A+		A1+	Positive
28/May/2008	A+		A1+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of eight entities in the Premier group, namely Coimbatore Polytex Private Ltd, Premier Mills Private Limited, Sri Narasimha Textiles Pvt Ltd, Premier Spinning and Weaving Mills Pvt Ltd, Prima Products Pvt Ltd, Premier Cotton Textiles, Lakshmi Narasimha Textiles Pvt Ltd, and Premier Fine Linens Pvt Ltd.

The Premier group was set up in 1945 by Mr. V N Ramachandran. Over the years, it has grown into an established textile house in southern India, with presence in the entire textile value chain. The spinning division accounts from nearly 66 per cent of the group's turnover, while made-ups and cloth account for the remainder. Exports accounted for 50 per cent of the total turnover in 2009-10.

Rating Strengths

- Established presence across textile value chain
- Diversified revenue profile, with strong market position and operating efficiency
- Moderate financial risk profile

Rating Weaknesses

- Volatility in raw material prices
- Exposure to fluctuations in value of rupee

Outlook: Positive

CRISIL believes that the Premier group's capital structure and operating efficiency will improve and that the group will maintain its strong liquidity over the medium term. The rating may be upgraded if the group reports strong growth in its revenues while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Stable' if the group contracts more-than-expected debt to fund its capital expenditure or working capital requirements, or there is a steep decline in yarn realisations, adversely affecting its operating margin, or if there is lesser-than-expected business synergy among the group entities.

Key Rating Sensitivity Factors

- Fluctuations in cotton prices and rupee appreciation
- Continuation of family group synergies

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	6925	6218	6438
OPBDIT	1705	1404	1699
PAT	498	192	299
Tangible Networth	5101	4583	4388
Total Debt	7257	8114	8413

OPBDIT Margins (%)	22.8	20.8	24.8
Net Profit Margins (%)	6.7	2.8	4.4
Interest cover (times)	4.41	2.42	3.45
NCA / Total Debt (times)	0.19	0.11	0.12
Gearing (times)	1.42	1.77	1.92
Total Debt / PBDIT (times)	3.64	5.06	4.68

Premier Spinning and Weaving Mills Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Positive
Rating History				
17/Nov/2010	A+		A1+	Positive
28/May/2008	A+		A1+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of eight entities in the Premier group, namely Coimbatore Polytex Private Ltd, Premier Mills Private Limited, Sri Narasimha Textiles Pvt Ltd, Premier Spinning and Weaving Mills Pvt Ltd, Prima Products Pvt Ltd, Premier Cotton Textiles, Lakshmi Narasimha Textiles Pvt Ltd, and Premier Fine Linens Pvt Ltd.

The Premier group was set up in 1945 by Mr. V N Ramachandran. Over the years, it has grown into an established textile house in southern India, with presence in the entire textile value chain. The spinning division accounts from nearly 66 per cent of the group's turnover, while made-ups and cloth account for the remainder. Exports accounted for 50 per cent of the total turnover in 2009-10.

Rating Strengths

- Established presence across textile value chain
- Diversified revenue profile, with strong market position and operating efficiency
- Moderate financial risk profile

Rating Weaknesses

- Volatility in raw material prices
- Exposure to fluctuations in value of rupee

Outlook: Positive

CRISIL believes that the Premier group's capital structure and operating efficiency will improve and that the group will maintain its strong liquidity over the medium term. The rating may be upgraded if the group reports strong growth in its revenues while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Stable' if the group contracts more-than-expected debt to fund its capital expenditure or working capital requirements, or there is a steep decline in yarn realisations, adversely affecting its operating margin, or if there is lesser-than-expected business synergy among the group entities.

Key Rating Sensitivity Factors

- Fluctuations in cotton prices and rupee appreciation
- Continuation of family group synergies

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	6925	6218	6438
OPBDIT	1705	1404	1699
PAT	498	192	299
Tangible Networth	5101	4583	4388
Total Debt	7257	8114	8413
OPBDIT Margins (%)	22.8	20.8	24.8
Net Profit Margins (%)	6.7	2.8	4.4
Interest cover (times)	4.41	2.42	3.45
NCA / Total Debt (times)	0.19	0.11	0.12
Gearing (times)	1.42	1.77	1.92
Total Debt / PBDIT (times)	3.64	5.06	4.68

Prima Products Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Positive
Rating History				
17/Nov/2010	A+		A1+	Positive
28/May/2008	A+		A1+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of eight entities in the Premier group, namely Coimbatore Polytex Private Ltd, Premier Mills Private Limited, Sri Narasimha Textiles Pvt Ltd, Premier Spinning and Weaving Mills Pvt Ltd, Prima Products Pvt Ltd, Premier Cotton Textiles, Lakshmi Narasimha Textiles Pvt Ltd, and Premier Fine Linens Pvt Ltd.

The Premier group was set up in 1945 by Mr. V N Ramachandran. Over the years, it has grown into an established textile house in southern India, with presence in the entire textile value chain. For the year ended March 31, 2010, the group revenue amounted to Rs.6.92 billion. The spinning division accounts from nearly 66 per cent of the group's turnover, while made-ups and cloth account for the remainder. Exports accounted for 50 per cent of the total turnover in 2009-10.

Rating Strengths

- Established presence across textile value chain
- Diversified revenue profile, with strong market position and operating efficiency
- Moderate financial risk profile

Rating Weaknesses

- Volatility in raw material prices
- Exposure to fluctuations in value of rupee

Outlook: Positive

CRISIL believes that the Premier group's capital structure and operating efficiency will improve and that the group will maintain its strong liquidity over the medium term. The rating may be upgraded if the group reports strong growth in its revenues while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Stable' if the group contracts more-than-expected debt to fund its capital expenditure or working capital requirements, or there is a steep decline in yarn realisations, adversely affecting its operating margin, or if there is lesser-than-expected business synergy among the group entities.

Key Rating Sensitivity Factors

- Fluctuations in cotton prices and rupee appreciation
- Continuation of family group synergies

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	6925	6218	6438
OPBDIT	1705	1404	1699
PAT	498	192	299
Tangible Networth	5101	4583	4388
Total Debt	7257	8114	8413
OPBDIT Margins (%)	22.8	20.8	24.8
Net Profit Margins (%)	6.7	2.8	4.4
Interest cover (times)	4.41	2.42	3.45
NCA / Total Debt (times)	0.19	0.11	0.12
Gearing (times)	1.42	1.77	1.92
Total Debt / PBDIT (times)	3.64	5.06	4.68

Prime Infrapark Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A- (SO)			Stable
Rating History				
25/Jan/2011	A- (SO)	-	-	Stable

Company Background:

CRISIL's ratings on the bank facilities of Prime Infrapark Private Limited (PIPL) is based on the unconditional and irrevocable guarantee provided by PIPL's parent, Pratibha Industries Ltd (PIL, rated 'CRISIL A-/Stable/CRISIL A2+'), which is part of the Pratibha group. The guarantee covers the entire term loan amount of Rs.1353 million. The rating thus reflects the strength of the guarantor, PIL, and is supported by an undertaking by PIL that ensures that PIPL's debt obligations will be met within 30 days of the due date, irrespective of the bank invoking the guarantee.

Set up in 1982 by Mr. Ajit Kulkarni, PIL specialises in water supply projects, and has also ventured into urban infrastructure and special projects such as tunneling, airports, and surface transport. Additionally, PIL commissioned its helical submerged arc-welded (HSAW) pipe division in 2007-08 with a capacity of 90,000 tonnes per annum. For arriving at the ratings, CRISIL has combined the financial risk profiles of PIL, Pratibha Pipes and Structural Ltd (PPSL), Pratibha Ostu-Stettin JV (Pratibha Ostu JV), and the three special purpose vehicles (SPVs) that are undertaking build-operate-transfer (BOT) projects in Bhopal, Delhi and Maharashtra. All these entities are collectively referred to as the Pratibha group.

PIPL has been awarded a contract from Delhi Metro Rail Corporation (DMRC) for construction-related works. The scope of work includes construction of a multi-level parking space with commercial development at the New Delhi railway station and airport terminal on a build, operate, and transfer basis. The project involves construction of four levels for car parking, in addition to three towers which would include five floors each of commercial area. The company would recover the cost of the project through collection of parking charges, and lease rentals for the commercial property. The project implementation commenced in May 2010, and is likely to be completed by August 2011. The total cost of the project is Rs.1644 million, of which Rs.1353 million is to be funded by way of a term loan.

Payment mechanism

PIL has provided an irrevocable and unconditional guarantee for PIPL's term loan of Rs.1353 million to ICICI Bank, which is the provider of these facilities. The company has provided an undertaking to make the necessary payments on the bank loan facilities immediately upon invocation of the guarantee and not later than 30 days of the due date, in case the bank does not invoke the guarantee.

Outlook: Stable

The rating outlook on PIPL is based on CRISIL's rating outlook on the guarantor, PIL. The rating outlook on PIPL may be revised if there is any revision in the rating outlook on PIL.

Key Rating Sensitivity Factors

- Fulfilment of obligations referred to under unconditional and irrevocable guarantee from PIL
- Change in credit risk profile of PIL

Financial Performance (PIL Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	14,710	10,977	9,727
OPBDIT	2,017	1,661	1,179
PAT	788	620	524
Tangible Networth	5,420	3,280	2,717
Total Debt	6,092	5,362	3,120

OPBDIT Margins (%)	13.6	15.1	12.1
Net Profit Margins (%)	5.3	5.6	5.4
Interest cover (times)	2.66	2.74	2.62
NCA / Total Debt (times)	0.16	0.14	0.16
Gearing (times)	1.12	1.63	1.15
Total Debt / PBDIT (times)	2.81	3.23	2.52

Prime Mineral Exports Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Stable
Rating History				
05/May/2011	A+	-	-	Stable

Company Background:

To arrive at the ratings, CRISIL has combined the financial and business risk profiles of Prime Mineral Exports Pvt Ltd (PMEPL), Fomento (Karnataka) Mining Company Pvt Ltd (FKPL), Fomento Resources Pvt. Ltd (FRPL), Marine Infrastructure Goa (MIG), Infrastructure Logistics Pvt Ltd (ILPL), and Hardesh Ores Pvt Ltd (HOPL). The entities, are collectively referred to herein, as the Fomento group.

Incorporated in 2003, PMEPL is primarily engaged in mining and export of iron ore. FKPL and FRPL are also involved in mining and exporting iron ore, and MIG is into logistics at the Goa port. ILPL and HOPL are mining contractors for the Fomento group. The group mines iron ore in Karnataka, Maharashtra, and Goa. Its operations are managed by Mr. Ambar Timblo, son of Mr. Audhut Timblo, chairman of the Fomento group.

Rating Strengths

- Healthy financial risk profile
- Established track record in mining and exports
- Proximity to port provides relative freight advantage

Rating Weaknesses

- Exposure to competition from international players and price volatility in spot market
- Significant dependence on third-party mining contracts, and the need to consolidate operations

Outlook: Stable

CRISIL believes that the Fomento group's focus on improving sales volumes will help the group maintain strong cash accruals and liquidity. The outlook may be revised to 'Positive' if the group significantly improves its resource profile while maintaining its capital structure, and consolidates its operations considerably. Conversely, the outlook may be revised to 'Negative' if the group undertakes unrelated diversification or larger-than-expected debt-funded capital expenditure (capex) or acquisitions, leading to deterioration in its capital structure.

Key Rating Sensitivity Factors

- Large debt-funded capex for resource augmentation
- Unrelated diversification
- Significant erosion in iron ore prices
- Unfavourable government or environmental regulations
- Consolidation of group structure

Financial Performance (Not Published)

Promed Exports Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
16/Nov/2011	A-	-	A2+	Stable
10/Dec/2008	BBB+	-	A2	Stable

Company Background

Set up by Mr. Deepak Bahri in 1994, Promed Exports Private Ltd (Promed) markets both branded and generic drugs, primarily ophthalmic products. The company set up its own manufacturing unit in 2007; until then, it outsourced its manufacturing operations. Promed is among the largest players in the ophthalmic products market in Russia.

The company has received the European Union-Good Manufacturing Practice (EU-GMP) certification and is in the process of getting its units certified by the US Foods & Drugs Administration (USFDA). Promed has set up a new three-piece line for exports to these countries. Its unit with blow-fill-seal technology will be utilised to cater to the Russian markets and undertake contract manufacturing activities.

Rating Strengths

- Strong financial risk profile
- Established market position in ophthalmic product segment in Russia

Rating Weaknesses

- Limited geographical diversification of sales, with 91 per cent of sales to Russia
- Large working capital requirements

Outlook: Stable

CRISIL believes that Promed will maintain its healthy financial risk profile over the medium term on the back of its low gearing and healthy debt protection metrics. The outlook may be revised to 'Positive' if Promed's entry into new markets and products lead to tangible benefits for the company, including higher sales and cash accruals and increased geographical diversity in revenue profile. Conversely, the outlook may be revised to 'Negative' if the company witnesses a steep decline in its profitability, or contracts more-than-expected debt to fund its capital expenditure (capex) or incremental working capital requirements, thereby adversely affecting its financial risk profile.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Sustenance of profitability
- Successful venture and scale up of operations in the US, Indian and European markets
- Delay in debtor realizations

Financial Performance

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1408	1053	1144
OPBDIT	511	312	199
PAT	400	241	62
Tangible Networth	992	728	569
Total Debt	296	278	487
OPBDIT Margins (%)	35.8	29.2	17.2
Net Profit Margins (%)	28.0	22.5	5.3
Interest cover (times)	26.64	10.60	3.20
NCA / Total Debt (times)	1.35	0.84	0.23
Gearing (times)	0.30	0.38	0.86
Total Debt / PBDIT (times)	0.58	0.84	2.42

Pudumjee Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
17/Nov/2009	A-	-	A2+	Stable
21/Apr/2009	A-	-	A2+	Negative
05/Mar/2008	A-	-	A2+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Pudumjee Industries Ltd (PIL) and its wholly owned subsidiary, Pudumjee Hygiene Products Ltd (PHPL).

Set up in 1965, PIL, formerly F Pudumjee and Co Pvt Ltd was acquired by the Jatia family in 1972; it got its current name in March 2008. PIL's product mix comprises crepe tissue, hygiene tissue, machine glazed tissue, carbon tissue, poster paper, kraft paper, and wrappers for fruit, flowers, and food. Currently, PIL has an aggregate production capacity of 22,500 tonnes per annum (tpa) of specialty paper. The company also has a wastepaper recycling plant with capacity of 40 tonnes per day (tpd). In July 2004, PIL set up a wholly owned subsidiary, PHPL, which markets hygiene products, including bathroom and facial tissues, napkins, towels, toilet seat covers, dispensers, hand cleansers, and kitchen towels. PIL has also ventured into real estate projects, partnering with Prime Developers, a partnership firm, developing surplus land belonging to Prime Textiles Ltd in Tamil Nadu.

Rating Strengths

- Support from associate company, Pudumjee Pulp and Paper Mills Ltd. (PPPML, rated 'CRISIL A-/Stable/CRISIL A2+')
- Established market position in domestic specialty paper segment
- Expected improvement in financial risk profile

Rating Weaknesses

- High power costs and small capacity, constraining margins
- Exposure to risks related to intense competition from cheaper imports and to volatility in raw material prices

Outlook: Stable

CRISIL believes that PIL will maintain its stable credit risk profile over the medium term, backed by improvement in cash accruals and need based funding support it receives from PPPML. The outlook may be revised to 'Positive' if there is substantial improvement in company's profitability and debt protection metrics. Conversely, the outlook will be revised to 'Negative' in case there is further deterioration in PIL's financial risk profile due to higher than expected incremental working capital requirements.

Key Rating Sensitivity Factors

- Impact of volatility in wood pulp and waste paper prices
- Working capital management
- Extent of funding support in real estate projects

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1324	1491	1484
OPBDIT	43	5	34
PAT	23	-16	-1
Tangible Networth	271	253	285
Total Debt	645	288	311
OPBDIT Margins (%)	3.3	0.4	2.3
Net Profit Margins (%)	1.7	-1.0	-0.1
Interest cover (times)	2.30	1.05	1.78
NCA / Total Debt (times)	0.05	-0.02	0.03
Gearing (times)	2.38	1.14	1.09
Total Debt / PBDIT (times)	8.13	6.42	6.32

Pudumjee Pulp and Paper Mills Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
17/Nov/2009	A-	-	A2+	Stable
21/Apr/2009	A-	-	A2+	Negative
05/Mar/2008	A-	-	A2+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Pudumjee Pulp and Paper Mills Ltd. (PPPML) and its wholly owned subsidiary, Pudumjee Investment and Finance Company Ltd. (PIFCL).

PPPML was incorporated in 1964 and commenced production of specialty paper products in January 1968 at its plant in Thergaon (Maharashtra). In 1972, the company was acquired by its current promoters, the Jatia family. PPPML focuses on the specialty paper segment; its product mix comprises various grades of glassine, kraft, tissue, and opaque laminate base (OLB) paper. Currently, PPPML has an aggregate production capacity of 17,500 tpa of specialty paper. The company also has two wastepaper recycling and de-inking plants with capacities of 90 tonnes per day (tpd) and 50 tpd, respectively. PPPML is in the process of acquiring the plant of Global Boards Ltd, refurbishing the same and expanding the production capacity at a total cost of Rs.1 billion. Around 75 per cent of the cost would be funded by debt and the entire investment will be phased over the next two years.

PIFCL, an investment company, holds a stake of about 22 per cent in Pudumjee Industries Ltd (PIL), a group company, and also has a small portfolio of other securities. PIL produces specialty paper, and has an aggregate capacity of 22,500 tpa. PPPML has also entered into a joint venture (JV) with G-Corp Properties Pvt Ltd to develop a residential complex on part of PPPML's existing premises that was rendered surplus after the closure of its bagasse yard.

Rating Strengths

- Established market position in domestic specialty paper segment
- Healthy financial risk profile

Rating Weaknesses

- High power costs and small capacities, constraining margins
- Exposure to risks related to intense competition from cheaper imports and to volatility in raw material prices

Outlook: Stable

CRISIL believes that PPPML will maintain its financial risk profile over the medium term, backed by its established market position in the specialty paper segment and healthy demand of specialty paper driven by increasing urbanization and lifestyle changes. The outlook may be revised to 'Positive' if there is a substantial improvement in the company's operating margins while maintaining its revenues or the company generates higher-than-expected cash accruals from its real estate project. Conversely, the outlook may be revised to 'Negative' if the company is not able to sustain the improvement in margins and revenues or there is a higher-than-expected deterioration in PPPML's financial risk profile because of increase in working capital requirements or higher reliance on debt to fund its acquisition.

Key Rating Sensitivity Factors

- Impact of volatility in wood pulp and waste paper prices
- Working capital management
- Extent of funding support in real estate projects

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2108	2121	2137
OPBDIT	266	192	218
PAT	110	36	53
Tangible Networth	1255	1175	1150
Total Debt	682	521	822
OPBDIT Margins (%)	12.2	8.7	9.7
Net Profit Margins (%)	5.0	1.6	2.4
Interest cover (times)	5.00	2.95	3.18
NCA / Total Debt (times)	0.29	0.24	0.17
Gearing (times)	0.54	0.44	0.71
Total Debt / PBDIT (times)	2.07	2.20	3.37

Puzzolana Machinery Fabricators

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
23/Sep/2009	A+	-	A1	Stable

Company Background:

Puzzolana Machinery Fabricators (Puzzolana) is a family-run business promoted by Mr. V Hegde. The Hyderabad-based firm was set up in 1964 for manufacturing speciality machinery for small-scale industries. Currently, the firm is engaged in designing and fabricating various types of crusher plants such as stationary crushing plants, trolley-mounted portable plants, and crawler-mounted portable plants, comprising various parts, such as crushers, screeners, conveyors, and material handling equipment. The firm also has small export operations mainly to cater to foreign demand of Indian construction players. The firm sells machines under its brand 'Puzzolana'. Its major customers are infrastructure companies, which contribute around 90 per cent of its revenue, and iron ore and cement plants, which contribute the remainder.

The promoters have, over the past two years, acquired stakes of 57 per cent and 100 per cent in two sick companies, Lotus Chocolate Firm Ltd (Lotus Chocolate) and Southern Ferro Steel Pvt Ltd (Southern Ferro), respectively, at an aggregate cost of about Rs.300 million. Lotus Chocolate is into the business of manufacturing of chocolates under the brand name of Lotus. The company mainly operates in Andhra Pradesh, Karnataka, Kerala, and Tamil Nadu. Southern Ferro is a manufacturer of steel cast products, and has a manufacturing plant at Hubli, Karnataka; it sells the bulk of its product to Puzzolana. PMF Engineering, another group entity, has recently begun manufacturing wheel loaders and plans to expand its product portfolio in the agriculture and construction equipment segments.

Rating Strengths

- Strong financial risk profile
- Leadership position in crusher plant segment

Rating Weaknesses

- Exposure to risks related to concentration of revenues in single product, and to cyclicality in construction industry
- Significant capital withdrawal by partners

Outlook:Stable

CRISIL believes that Puzzolana will maintain its strong financial risk profile, supported by healthy cash accruals and negligible debt, and its market leadership in the stone-crushing equipment business. The outlook may be revised to 'Positive' if Puzzolana increases diversification of its product and end-user profiles, while maintaining its strong capital structure. Conversely, the outlook may be revised to 'Negative' if the partners withdraw sizeable capital from the firm, or if firm increases its exposure to its group entities, leading to increase in its debt level.

Key Rating Sensitivity Factors

- Extent of capital withdrawals by partners
- Any significant exposure to group companies
- Revenue growth and profitability amid slowdown in end-user segment
- Capital expenditure plans, and their funding mix

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2140	3043	2688
OPBDIT	166	470	530
PAT	75	356	409
Tangible Networth	769	634	611
Total Debt	4	266	2

OPBDIT Margins (%)	7.7	15.3	19.5
Net Profit Margins (%)	3.5	11.6	15.0
Interest cover (times)	8.14	33.58	337.29
NCA / Total Debt (times)	21.62	0.13	95.91
Gearing (times)	0.01	0.42	0.00
Total Debt / PBDIT (times)	0.02	0.56	0.00

PVR Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Stable
Rating History				
21/Aug/2009	A+^	-	-	Stable
04/Nov/2008	A+**	-	-	Stable

***initial bank loan rating assigned*

^initial non convertible debenture rating assigned

Company Background:

For arriving at it rating, CRISIL has combined the business and financial risk profiles of PVR Ltd. (PVRL) and its subsidiaries, PVR Pictures and PVR Bluo Entertainment Ltd., collectively known as the PVRL group.

In 1995, Priya Exhibitors Pvt Ltd entered into a 60:40 joint venture (JV) with Village Roadshow Ltd (VRL), one of the world leaders in the multiplex business, to form PVRL. In the same year, the company acquired on lease a single-screen cinema hall, Anupam, at Saket, and converted it into a four-screen multiplex. It became operational in 1997 as PVR Anupam, and was the first multi-screen cineplex in the country. As part of its global business strategy, VRL exited from the PVRL JV in 2002. Presently, PVRL's exhibition business has 33 cinemas with 142 screens. During 2006-07, PVRL, through its subsidiary, PVR Pictures, entered the film distribution and production business. PVRL has also entered into a JV with MG, one of the largest entertainment groups of Thailand; as part of the JV, PVRL launched one of India's largest bowling centres in March 2009, with 24 lanes, in Gurgaon, under the Blu-O brand name.

PVRL is a public limited company, listed on various stock exchanges in India. About 34 per cent of its shares are held by the promoters, and the remaining are with institutions and the public.

Rating Strengths

- Strong brand value in film exhibition businesses
- Healthy operating efficiency
- Healthy financial risk profile

Rating Weakness

- Susceptibility to intense competition in film exhibition business

Outlook: Stable

CRISIL believes that PVRL's business risk profile will strengthen over the medium term, driven by increasing market share of the company's exhibition business. PVRL group's profitability is expected to improve because of its plan to reduce its focus on the high risk film production business, which had adversely affected its margins over the past two years. The outlook may be revised to 'Positive' if the PVRL group reports significant improvement and stability in its profitability from its film distribution, exhibition and retail entertainment business while maintaining its healthy financial risk profile, despite the planned capital expenditure (capex) towards addition of screens over the medium term. Conversely, the outlook may be revised to 'Negative' if the the PVRL group's profitability declines, most likely because of fall in occupancy levels of multiplexes, weaker than expected performance of its distribution business, or deterioration in capital structure because of the planned debt funded capex.

Key Rating Sensitivity Factors

- Degree of further investment in high risk film production business
- Major investments in new businesses, and their funding mix
- Extent of debt funded expansion in core exhibition business

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	4573	3,341	3,521
OPBDIT	840	332	455
PAT	3	1	67
Tangible Networth	3420	3,039	3,108
Total Debt	1619	1,805	1,463

OPBDIT Margins (%)	18.3	9.9	12.9
Net Profit Margins (%)	0.1	0.0	1.9
Interest cover (times)	6.13	2.45	4.14
NCA / Total Debt (times)	0.40	0.14	0.27
Gearing (times)	0.47	0.59	0.47
Total Debt / PBDIT (times)	1.63	3.85	2.17

Quadro Info Technologies Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
04/May/2011	A	-		Stable
01/Dec/2009	BBB+	-		Positive

Company Background:

For arriving at its ratings, CRISIL has combined the financial and business risk profiles of 35 entities together including Quadro Info Technologies Pvt. Ltd (QITL), referred to as the Salarpuria-Sattva group.

The group was founded by the late Mr. G. D. Salarpuria in 1986 in Kolkata. Currently, the group is being managed by Mr. Bijay Agarwal, who is the managing director. The group has been involved in construction and development of real estate for the past 25 years. Salarpuria Properties Pvt Ltd and Sattva Developers Pvt Ltd are the two flagship companies of the group, with 33 other group entities actively engaged in the real estate business. The group has an ISO 9001:2000 certification. Till date, the group has completed 71 real estate projects (mainly commercial) in Bengaluru. The group is shifting its focus to residential real estate sector from being a predominantly commercial real estate player. It has also entered in Kolkata, Hyderabad, Mysore, Pune, and Visakhapatnam markets, by acquiring some parcel of land which it plans to develop over medium term.

Rating Strengths

- Healthy financial risk profile marked by comfortable capital structure and high financial flexibility because of large portfolio of leased assets
- Strong brand name, and good track record, in Bengaluru real estate market

Rating Weaknesses

- Revenue concentration in information technology (IT) and IT-enabled services (ITeS) sectors
- Risks and cyclicality inherent in real estate sector

Outlook: Stable

CRISIL believes that the Salarpuria-Sattva group will maintain its strong market position in the Bengaluru real estate market, given its established track record. The outlook may be revised to 'Positive' in case of a significant increase in the group's revenues and geographic diversification, leading to improvement in its business risk profile. Conversely, the outlook may be revised to 'Negative' if the saleability of the group's projects is below expectation, resulting in weakening in its financial risk profile, or if the group makes sizeable investments in unrelated businesses.

Key Rating Sensitivity Factors

- Significant increase in debt funding of projects
- Investments in unrelated businesses
- Successful completion of projects

Financial Performance

Rupees Billion	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1.04	3.27	0.57
OPBDIT	2.12	2.93	1.62
PAT	1.03	1.57	0.67
Tangible Networth	13.17	12.14	10.33
Total Debt	4.47	4.89	7.14

OPBDIT Margins (%)	70.0	56.9	70.0
Net Profit Margins (%)	34.1	30.5	28.8
Interest cover (times)	4.3	4.9	2.4
NCA / Total Debt (times)	0.32	0.43	0.12
Gearing (times)	0.34	0.4	0.69
Total Debt / PBDIT (times)	3.0	4.3	3.5

Quality Care India Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
24/Apr/2009	A+	-	A1	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the financials of Quality Care India Ltd (QCIL), Visakha Hospitals and Diagnostics Ltd (VHDL), Ganga Care Hospital Ltd (GCHL), Ramakrishna Care Medical Sciences Pvt Ltd (RCMSPL), Care Institute of Medical Sciences Ltd (Care Institute), Galaxy Care Laparoscopy Institute Pvt Ltd (GCLIPL), Quality Care Health Services Pvt Ltd (QCHSPL), Quality Care Pharma Trading Pvt Ltd (QCPTPL), and Care Health Clinics Pvt Ltd (CHCPL), collectively referred to as the Care group.

The Care group was set up in 1997 by cardiologists, Dr. B Soma Raju and Dr. N Krishna Reddy. The Care group's first venture was the Care Heart Centre at Hyderabad, with a capacity of 100 beds. Over the years, the group has spread to various locations across India; its facilities have a combined capacity of 1613 beds. The group has a presence in Vizag, Surat, Nagpur, Pune, Raipur and Bhubaneswar, besides its significant presence in Hyderabad. The group provides tertiary healthcare services in multi-specialty areas, with primary focus on cardiac healthcare, through healthcare centres under QCIL, VHDL, GCHL, and RCMSPL.

Rating Strengths

- Established market position in the tertiary healthcare
- Healthy operating efficiencies
- Healthy financial risk profile

Rating Weaknesses

- Exposure to competition in healthcare industry
- Below Average performance of some of the group's hospitals
- Exposure to risks related to delays in commencement and stabilisation of commercial operations at its planned capacity additions

Outlook: Stable

CRISIL believes that the Care group will maintain its business risk profile over the medium term, supported by its strong revenue growth as a result of its significant capacity expansion. While the group is exposed to risks related to project commercialisation and to losses in some of its subsidiaries, CRISIL believes that the group's gearing and debt protection metrics will remain comfortable over the medium term. The outlook may be revised to 'Positive' if the group's revenues and operating margin improve significantly with timely completion of its capacity expansion project and turnaround in its loss-making entities. Conversely, the outlook may be revised to 'Negative' if the group undertakes a larger-than-expected debt-funded capital expenditure (capex) programme, thereby weakening its capital structure, or if its business risk profile is adversely impacted by delay in stabilisation of operations at its new facilities.

Key Rating Sensitivity Factors

- Capex and acquisition plans, and their funding mix
- Operational stability of new projects
- Performance of loss making hospitals

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3817	3256	2499
OPBDIT	417	373	264
PAT	49	98	(4)
Tangible Networth	1602	1588	1499
Total Debt	1153	1223	1128

OPBDIT Margins (%)	10.9	11.4	10.5
Net Profit Margins (%)	1.3	3.0	(0.2)
Interest cover (times)	3.38	2.93	2.64
NCA / Total Debt (times)	0.19	0.18	0.15
Gearing (times)	0.72	0.77	0.75
Total Debt / PBDIT (times)	2.71	3.13	3.93

R B Jewellery Corporation

Date	LT	FD	ST	Outlook
Current Rating				
	A-			**Stable**
Rating History				
30/Mar/2011	**A-**	**-**	**-**	**Stable**
03/Mar/2010	**-**	**-**	**A2+**	

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Ratilal Becharlal & Sons, Uni Gems India Pvt Ltd (both in the diamond business); Elegant Collection, Jasani Jewellery, RB Jewellery Corporation, Jasani Jewellery II (all four in the diamond-studded jewellery business); Dia Man Exports Pvt Ltd (into both diamond as well as diamond studded jewellery business); and Supreme Gems Pvt Ltd, Ratilal Becharlal Diamonds Pvt Ltd, and Ornat Gems Pvt Ltd (support units for the other entities in the group). All these entities have been collectively referred to herein as the Jasani group.

The Jasani group, promoted by Mr. Ratilal Becharlal Jasani in 1966, with Ratilal Becharlal & Sons as the group's flagship firm, is closely held by Jasani family. The group is primarily engaged in exports of rough diamonds, polished diamonds, and diamond-studded gold jewellery, though it has domestic operations as well. The group focuses on the round and princess-cut diamonds and specialises in Triple Excellent, Hearts, and Arrows, along with proprietary cuts such as Love Mark and Movado. The group has been a Diamond Trading Company (DTC) sightholder since the past 36 years. It does not own jewellery brands; however, it has marketing rights for Asian and Gulf countries for brands such as Perfect Choice, You, Love Mark, Trestelle, and the Bride's Pendant, which are currently owned by The Stuckey Co, USA

Rating Strengths

- Healthy financial risk profile, marked by high net worth, low gearing, and moderate debt protection indicators
- Strong operational efficiencies, driven by assured supplies of rough diamonds from DTC and Alrosa Company Ltd, Russia (Alrosa), and efficient working capital management
- Comfortable business risk profile, with presence in segments such as polished diamonds and diamond-studded jewellery, and extensive experience of promoters

Rating Weaknesses

- Vulnerability of profitability to fluctuation in diamond prices and foreign exchange (forex) rates
- Exposure to risks related to revenue concentration in US and European markets

Outlook: Stable

CRISIL expects the Jasani group to maintain its healthy financial risk profile on the back of its efficient working capital management. CRISIL also expects the group to maintain its established market position and strong operating efficiencies. The outlook may be revised to 'Positive' if the group's revenue and profitability increase significantly, while it maintains a healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' if the group faces pressure on revenue and profitability, or significant deterioration in capital structure.

Key Rating Sensitivity Factors

- Revenue growth and operating profitability
- Continued efficiency in working capital management
- Continuity of assured diamond supplies from DTC and Alrosa
- Any significant deterioration in financial risk profile, including due to substantial withdrawal of capital by promoters

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	**10629**	**9,299**	**9,699**
OPBDIT	**675**	**(99)**	**478**
PAT	**469**	**(303)**	**199**
Tangible Networth	**2998**	**2,707**	**3,143**
Total Debt	**2217**	**760**	**1,808**

OPBDIT Margins (%)	**6.2**	**(1.1)**	**4.9**
Net Profit Margins (%)	**4.3**	**(3.3)**	**2.0**
Interest cover (times)	**6.47**	**(0.71)**	**3.68**
NCA / Total Debt times)	**0.15**	**(0.53)**	**(0.01)**
Gearing (times)	**0.74**	**0.28**	**0.58**
Total Debt / PBDIT (times)	**3.00**	**(7.46)**	**3.67**

R Systems International Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
31/Mar/2010	A	-	A1	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of R Systems International Ltd (RSIL) and RSIL's subsidiaries, collectively referred to as R Systems. CRISIL believes that the subsidiaries are an integral part of RSIL's business, and are, therefore, critical to RSIL's credit risk profile.

R Systems was promoted in 1993 by Mr. Satinder Singh Rekhi as a private limited company. It was converted into a public limited company in April 2000 and came out with its initial public offering (IPO) in 2006. As on December 31, 2010, the promoter group held around 47 per cent of R Systems' shares, the public owned 36 per cent, while the remainder was held by mutual funds, corporates, and others.

R Systems provides outsourced product development and customer support services, besides business process outsourcing (BPO) services. The company's clientele includes Fortune 1000, government and medium-sized organisations, across industry verticals, including banking and finance, telecom and digital media, high technology and independent software vendors, government, healthcare, manufacturing and logistics industries. R Systems maintains eleven development and technical support centres. Using its global delivery model, it serves customers in the US, Europe, South America, the Far East, the Middle East and Africa. About 79 per cent of its revenues were generated from the US and Europe in 2010.

Rating Strengths

- Healthy financial risk profile and liquidity
- Average business risk profile, supported by good mix of product offerings
- Healthy long-term prospects for information technology (IT) services and BPO segments

Rating Weaknesses

- High geographical concentration, and moderate customer concentration, in revenue profile
- Moderate scale of operations and operating profitability, compared with peers

Outlook: Stable

CRISIL believes that R Systems will maintain its healthy financial risk profile, despite reduced profitability, supported by low debt levels, over the medium term. The rating outlook may be revised to 'Positive' if R Systems' business risk profile improves through better geographical and customer diversification, and the company demonstrates improved and sustainable profitability, over the medium term. Conversely, the outlook may be revised to 'Negative' in case of substantial debt-funded capital expenditure (capex) or acquisitions, or significant deterioration in the company's revenues and profitability.

Key Rating Sensitivity Factors

- Large debt-funded acquisitions or capex
- Diversification of customer base and sustained relationship with existing customers
- Operating profitability trends
- Fluctuation in foreign exchange rates
- Continued maintenance of healthy liquid surpluses

Financial Performance

Rs. Million	31-Dec-10	31-Dec-09	31-Dec-08
Net Sales	2905	3275	3594
OPBDIT	225	388	474
PAT	168	77	282
Tangible Networth	1803	1674	1507
Total Debt	9	16	34

OPBDIT Margins (%)	7.7	11.9	13.2
Net Profit Margins (%)	5.8	2.4	7.8
Interest cover (times)	38.18	42.68	48.96
NCA / Total Debt (times)	28.82	24.25	10.70
Gearing (times)	0.01	0.01	0.02
Total Debt / PBDIT (times)	0.03	0.03	0.08

R.A.K. Ceramics India Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Negative
Rating History				
18/Nov/2011	A-	-	A2+	Negative
06/ Sep/2010	A-	-	A2+	Stable
05/ Jan/2009	BBB+		A2	Stable

Company Background

R.A.K. Ceramics Pvt Ltd (RAK Ceramics) was incorporated in 2004 as a wholly-owned subsidiary of RAK Ceramics Psc, Ras Al Khaimah, UAE (RAK UAE), located at Ras Al Khaimah, United Arab Emirates (UAE); it began commercial production in June 2006. The company has plants for vitrified tiles and sanitaryware. It enhanced tile manufacturing capacity to around 24,000 square metres per day (sq m/day) from 16,000 sq m/day. Its sanitaryware plant has a capacity of 1000 pieces per day. The company uses the latest dry-powder-pressed technology for tiles.

Currently, the group's marketing business is done through Ras Al Khaimah Ceramics India Pvt Ltd, Mumbai (RAK Mumbai) a JV between RAK UAE and Mr. Sunil Malesha the local promoter and RAK Ceramics's managing director. RAK Ceramics had merged RAK Mumbai in 2010. RAK UAE is one of the largest ceramic and porcelain tile multinational corporations in the world. It is International Organization for Standardization (ISO) 9001:2000 certified. The company has subsidiaries in Germany, Switzerland, France, the UK, Italy, Belgium, Australia, China, India, Saudi Arabia, Sudan, Bangladesh, and Iran. RAK UAE has over 6000 models in ceramic and vitrified tiles and regularly adds new designs every week through using state-of-the-art technology. The company exports to more than 150 countries across five continents with production capacity of 115 million sq m.

Rating Strengths

- Established market position in vitrified tiles and sanitaryware segment in India, and strong operating efficiencies
- Strong support from parent, RAK UAE

Rating Weaknesses

- Average financial risk profile
- Exposure to risks related to intense competition in ceramic industry

Outlook: Negative

CRISIL believes that RAK Ceramics' operating margin will remain under pressure till the company makes arrangements for alternative low-cost fuel supply. The ratings may be downgraded if RAK Ceramics' operating margin and cash accruals decline more than expected or if the company undertakes larger-than-expected debt-funded capital expenditure (capex) programme, thereby weakening its capital structure. Conversely, the outlook may be revised to 'Stable' if RAK Ceramics makes timely arrangements to reduce its input costs, and if it improves its capital structure over the medium term, driven by equity infusion and sustained increase in profitability.

Key Rating Sensitivity Factors

- Timely completion of coal gasification plant
- Continued support from RAK UAE
- Slowdown in end-user real estate sector
- Fiscal policy on Chinese imports
- Timing and extent of capex programmes

Financial Performance

Rs. Million	31-Dec-10	31-Dec-09	31-Dec-08
Net Sales	4,033	3,007	3,071
OPBDIT	942	810	779
PAT	291	358	21
Tangible Networth	1,074	687	329
Total Debt	2,626	2,772	2,979

OPBDIT Margins (%)	22.3	25.9	24.6
Net Profit Margins (%)	6.9	11.4	0.7
Interest cover (times)	6.35	7.70	1.51
NCA / Total Debt (times)	0.18	0.24	0.09
Gearing (times)	2.44	4.04	9.06
Total Debt / PBDIT (times)	2.84	2.84	3.47

Radius Water Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-(SO)			Stable
Rating History				
19/Jan/2009	A-(SO)	-	-	Stable

Company Background:

Radius Water Ltd (RWL) is a special purpose vehicle (SPV) promoted by Radius Corporation Ltd (RCL) to implement the Borai Industrial Centre (BIC) Water Supply project in Chhattisgarh. The build, own, operate, and transfer (BOOT) project, with a capacity of 30 million litres per day (MLD), is sponsored by the Chhattisgarh State Industrial Development Corporation (CSIDC), a nodal agency for industrial development in Chhattisgarh. The SPV was set up for providing water supply facilities to the industries at BIC, near Bhilai. The project was commissioned in 2000. Water charges are collected from the industrial users in the area by CSIDC and remitted to RWL. CSIDC has also ensured a minimum offtake of 4 MLD to RWL.

The company maintains an escrow account with IDBI bank. The proceeds from industrial users get credited in the escrow account by end of every month. RWL gets its share of water proceeds, based on bill submitted by it, credited in its current account from where its term loan obligations are paid. The balance surplus in the escrow account, if any, is transferred to CSIDC. The latter is required to maintain 33 per cent of water bills paid in the past year in the escrow account as per its contract with RWL.

Rating Strengths

- Stable operating income backed by minimum guaranteed payment from CSIDC
- Moderate financial risk profile

Rating Weakness

- Demand risk in the BIC region

Outlook: Stable

CRISIL believes that RWL's cash flows will remain stable over the medium term, because of its low routine maintenance requirements and minimum guaranteed payment from CSIDC. The outlook may be revised to 'Positive' in case of a significant and sustainable increase in RWL's turnover. Conversely, the outlook may be revised to 'Negative' if RWL incurs substantial maintenance costs, or if there is a considerable increase in its exposure to group companies, resulting in strained liquidity.

Key Rating Sensitivity Factors

- Significant support to group company
- Expected increase in demand
- Capital structure

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	42	40	37
OPBDIT	31	31	31
PAT	(0.2)	4	4
Tangible Networth	248	248	336
Total Debt	155	163	117
OPBDIT Margins (%)	74.7	76.6	85.0
Net Profit Margins (%)	(0.4)	8.8	10.3
Interest cover (times)	1.88	1.66	2.80
NCA / Total Debt (times)	0.08	0.08	0.22
Gearing (times)	0.62	0.66	0.35
Total Debt / PBDIT (times)	4.24	4.25	2.91

Rajkot Municipal Corporation

Date	LT	FD	ST	Outlook
Current Rating				
	CCR A-			
Rating History				
Aug /2008	CCR A-	-	-	-

Company Background

Rajkot Municipal Corporation (RMC) is governed by the Bombay Provincial Municipal Corporation Act, 1949. RMC covers an area of 105 square kilometres and a population of 1.2 million. It is responsible for providing basic civic services, such as water supply, sewerage management, and solid waste management, to the citizens of Rajkot. The corporation has an elected body with the municipal commissioner as the administrative head

Rating Strengths

- Sound project management set-up marked by a well-structured and qualified team
- Adequate solid waste management infrastructure with private sector participation
- Favourable legal framework

Rating Weaknesses

- Below average financial risk profile
- Poor property tax collection system
- Inadequate service arrangements for water supply and sewerage disposal
- Low reform orientation

Key Rating Sensitivity Factors

- Increases in debt funding of capital expenditure
- Extent of compensation provided in lieu of octroi

Financial Performance

Rs. Million	31-Mar-07	31-Mar-06	31-Mar-05
Revenue Receipts	1753	1435	1291
Operating surplus	410	218	263
Revenue surplus/(Deficit)	302	137	-65
Capital receipts	732	395	572
Capital surplus/(Deficit)	-345	-239	211
Overall surplus/(Deficit)	-43	-102	145
Net debt	236	341	376

Own revenues/ Revenue receipts (%)	88	92	95
Operating surplus/ Revenue receipts (%)	23	15	20
Revenue surplus/ Revenue receipts (%)	17	9	-6
Operating surplus/ Net debt (%)	170	61	67
Net debt/Revenue receipts (%)	13	24	29
DSCR (times)	3.69	2.58	2.07

Rajlaxmi Grihanirman Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
19/May/2011	A	-	A1	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the financial and business risk profiles of 35 entities, including Rajlaxmi Grihanirman Private Limited, together referred to as the Salarpuria-Sattva group.

The group was founded by the late Mr. G. D. Salarpuria in 1986 in Kolkata. Currently, the group is being managed by Mr. Bijay Agarwal, who is the managing director. The group has been involved in construction and development of real estate for the past 25 years. Salarpuria Properties Pvt Ltd and Sattva Developers Pvt Ltd are the two flagship companies of the group, with 33 other group entities actively engaged in the real estate business. The group has an ISO 9001:2000 certification. Till date, the group has completed 71 real estate projects (mainly commercial) in Bengaluru. The group is shifting its focus to residential real estate sector from being a predominantly commercial real estate player. It has also entered in Kolkata, Hyderabad, Mysore, Pune, and Visakhapatnam markets, by acquiring some parcel of land which it plans to develop over medium term.

Rating Strengths

- Healthy financial risk profile marked by comfortable capital structure and high financial flexibility because of large portfolio of leased assets
- Strong brand name, and good track record, in Bengaluru real estate market

Rating Weaknesses

- Revenue concentration in information technology (IT) and IT-enabled services (ITeS) sectors
- Risks and cyclicality inherent in real estate sector

Outlook: Stable

CRISIL believes that the Salarpuria-Sattva group will maintain its strong market position in the Bengaluru real estate market, given its established track record. The outlook may be revised to ‘Positive’ in case of a significant increase in the group’s revenues and geographic diversification, leading to improvement in its business risk profile. Conversely, the outlook may be revised to ‘Negative’ if the saleability of the group’s projects is below expectation, resulting in weakening in its financial risk profile, or if the group makes sizeable investments in unrelated businesses.

Key Rating Sensitivity Factors

- Significant increase in debt funding of projects
- Investments in unrelated businesses
- Successful completion of projects

Financial Performance

Rupees Billion	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1.04	3.27	0.57
OPBDIT	2.12	2.93	1.62
PAT	1.03	1.57	0.67
Tangible Networth	13.17	12.14	10.33
Total Debt	4.47	4.89	7.14
OPBDIT Margins (%)	70.0	56.9	70.0
Net Profit Margins (%)	34.1	30.5	28.8
Interest cover (times)	4.3	4.9	2.4
NCA / Total Debt (times)	0.32	0.43	0.12
Gearing (times)	0.34	0.4	0.69
Total Debt / PBDIT (times)	3.0	4.3	3.5

Rajmata Realtors Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
19/May/2011	A	-	-	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the financial and business risk profiles of 35 entities, including Rajmaa Realtors Pvt Ltd, together referred to as the Salarpuria-Sattva group.

The group was founded by the late Mr. G. D. Salarpuria in 1986 in Kolkata. Currently, the group is being managed by Mr. Bijay Agarwal, who is the managing director. The group has been involved in construction and development of real estate for the past 25 years. Salarpuria Properties Pvt Ltd and Sattva Developers Pvt Ltd are the two flagship companies of the group, with 33 other group entities actively engaged in the real estate business. The group has an ISO 9001:2000 certification. Till date, the group has completed 71 real estate projects (mainly commercial) in Bengaluru. The group is shifting its focus to residential real estate sector from being a predominantly commercial real estate player. It has also entered in Kolkata, Hyderabad, Mysore, Pune, and Visakhapatnam markets, by acquiring some parcel of land which it plans to develop over medium term.

Rating Strengths

- Healthy financial risk profile marked by comfortable capital structure and high financial flexibility because of large portfolio of leased assets
- Strong brand name, and good track record, in Bengaluru real estate market

Rating Weaknesses

- Revenue concentration in information technology (IT) and IT-enabled services (ITeS) sectors
- Risks and cyclicality inherent in real estate sector

Outlook: Stable

CRISIL believes that the Salarpuria-Sattva group will maintain its strong market position in the Bengaluru real estate market, given its established track record. The outlook may be revised to 'Positive' in case of a significant increase in the group's revenues and geographic diversification, leading to improvement in its business risk profile. Conversely, the outlook may be revised to 'Negative' if the saleability of the group's projects is below expectation, resulting in weakening in its financial risk profile, or if the group makes sizeable investments in unrelated businesses.

Key Rating Sensitivity Factors

- Significant increase in debt funding of projects
- Investments in unrelated businesses
- Successful completion of projects

Financial Performance

Rupees Billion	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1.04	3.27	0.57
OPBDIT	2.12	2.93	1.62
PAT	1.03	1.57	0.67
Tangible Networth	13.17	12.14	10.33
Total Debt	4.47	4.89	7.14
OPBDIT Margins (%)	70.0	56.9	70.0
Net Profit Margins (%)	34.1	30.5	28.8
Interest cover (times)	4.3	4.9	2.4
NCA / Total Debt times)	0.32	0.43	0.12
Gearing (times)	0.34	0.4	0.69
Total Debt / PBDIT (times)	3.0	4.3	3.5

Rajsriya Automotive Industries Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
01/July/2011	A	-	A1	Stable

Company Background:

Incorporated in 1976 by Mr. P S Govindachari, Tamil Nadu-based Rajsriya Automotive Industries Private Limited (RAIPL) designs, manufactures, and assembles a wide range of automotive (auto) components such as exhaust systems, steering column assemblies, and auto electric parts for use in vehicles such as two-wheelers, passenger cars, light commercial vehicles, and heavy commercial vehicles. RAIPL, with six plants in Hosur and Chennai (both in Tamil Nadu), is one of the largest auto assembly and systems manufacturer; it manufactures more than 350 assemblies using nearly 900 machines with a strong, skilled work force of 1200.

RAIPL derives nearly 70 per cent of its revenues from sales to TVS Motor Co. Ltd (TVS). RAIPL is currently expending a capital for setting up new manufacturing facilities in Himachal Pradesh and also expanding its existing facilities at Hosur. The ongoing capex at a total cost of about Rs.350 million is to be funded in a debt-to-equity ratio of 0.75:1. The new facilities are expected to become operational by September 2012 and September 2013 respectively.

Rating Strengths

- Established market position in exhaust systems and steering column products, and healthy operating efficiencies
- Above-average financial risk profile marked by low debt levels and robust debt protection metrics

Rating Weakness

- High dependence on two-wheeler segment, with revenue concentration in single client, TVS

Outlook: Stable

CRISIL believes that RAIPL will continue to benefit over the medium term on the back of steady offtake from its customers, and its efficient operations supported by a robust financial risk profile. The outlook may be revised to 'Positive' if RAIPL's business risk profile and profitability improve more than expected, or if the company diversifies its customer base. Conversely, the outlook may be revised to 'Negative' in case RAPL faces sluggish growth in its revenues and profitability or undertakes a larger-than-expected, debt-funded capital expenditure (capex) programme, thereby weakening its financial risk profile

Key Rating Sensitivity Factors

- Slowdown in automotive segment
- Performance of TVS
- Larger-than-expected debt-funded capex
- Stabilisation of new facilities

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2,913	1,801	1,607
OPBDIT	436	272	210
PAT	253	140	100
Tangible Networth	514	330	223
Total Debt	308	198	173
OPBDIT Margins (%)	14.9	15.0	13.0
Net Profit Margins (%)	8.6	7.7	6.2
Interest cover (times)	12.75	12.06	10.72
NCA / Total Debt (times)	0.71	0.69	0.63
Gearing (times)	0.60	0.60	0.77
Total Debt / PBDIT (times)	0.68	0.73	0.85

Ralson (India) Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
24/Sep/2010	A+	-	A1	Stable
24/Apr/2008	A	-	A1	Stable

Company Background:

Ralson (India) Ltd (Ralson) is India's largest company in the field of bicycle tyres and tubes, with a market share of around 20 per cent. Ralson has established a firm position in the replacement market, which accounts for about 60 per cent of the company's turnover; sales to original equipment manufacturers (OEMs) account for 24 per cent of its turnover and exports account for 16 per cent.

In 2000, Ralson's promoters made a modest entry into the auto tyre segment through a group company, which was merged with Ralson with effect from January 2005. Ralson is planning to manufacture motorcycle tyres by setting up a new facility, which is expected to start operations in 2012-13.

Rating Strengths

- Leadership position in cycle tyres and tubes industry
- Strong and diversified market presence
- Strong financial risk profile marked by low gearing and robust debt protection indicators

Rating Weaknesses

- Exposure to intense competition in bicycle tyres market
- Susceptibility to fluctuations in natural rubber prices

Outlook: Stable

CRISIL believes that Ralson will maintain its leadership position in the cycle tyre segment on the back of good product quality, and maintain a comfortable financial risk profile on the back of healthy cash accruals sufficient to fund its capital expenditure (capex) plans to set up a new motorcycle tyre facility as well as meet the term loan obligations arising from it over the medium term. The outlook may be revised to 'Positive' if Ralson reports significant increase in revenues and margins by strengthening its pricing power in the cycle tyre segment or by establishing its position in the new motorcycle tyre segment. Conversely, the outlook may be revised to 'Negative' in case Ralson reports substantial cost and time overruns in the motorcycle tyre project or a steep decline in operating margin.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Fluctuations in natural rubber prices

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	4841	4738	4140
OPBDIT	542	363	260
PAT	266	118	57
Tangible Networth	996	730	674
Total Debt	207	496	512

OPBDIT Margins (%)	11.2	7.6	5.9
Net Profit Margins (%)	5.5	2.5	1.4
Interest cover (times)	26.0	4.3	3.8
NCA / Total Debt (times)	1.84	0.44	0.28
Gearing (times)	0.21	0.68	0.76
Total Debt / PBDIT (times)	0.38	1.36	2.08

Raman Education Society

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
31/May/2011	A-	-	-	Stable

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Raman Education Society (RES) and Rout Education Trust (RET), together referred to as the Raman group.

Set up in 1995 by Mr. Sanjib Rout, RES runs the CV Raman College of Engineering (CRCE) in Bhubaneshwar, Orissa, with around 2900 students on its roll. CRCE, which was set up in 1997, offers graduate courses in engineering with nine branches, master of business administration (MBA), master of computer application (MCA) and master of technical education in engineering (M Tech). Currently, RES's courses are affiliated with the Biju Patnaik University of Technology (BPUT); several courses offered by RES have been accredited by the All India Council for Technical Education (AICTE).

Rating Strengths

- Wide portfolio of courses offered by group and established position in Orissa for engineering courses
- Healthy financial risk profile

Rating Weaknesses

- Exposure to intense competition and limited track record in operating management courses
- Regulatory restrictions, hampering revenue growth

Outlook: Stable

CRISIL believes that Raman group will continue to register healthy surpluses on the back of its wide portfolio of courses offered over the medium term. The group's financial risk profile is expected to remain healthy because of its low gearing and robust debt protection metrics. The outlook may be revised to 'Positive' if the group scales up its operations, without significant deterioration in its financial risk profile. Conversely, the outlook may be revised to 'Negative' if there is a significant decline in enrolment at the group's institutes, or if the AICTE withdraws its approval to the group's various courses, or the group undertakes larger-than-expected, debt-funded capital expenditure (capex), deteriorating its financial risk profile.

Key Rating Sensitivity Factors

- University status
- Extent of capex and its funding mix

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	279	214	164
OPBDIT	158	116	91
PAT	120	83	58
Tangible Networth	454	334	251
Total Debt	116	87	142
OPBDIT Margins (%)	56.5	54.4	55.5
Net Profit Margins (%)	43.1	38.9	35.2
Interest cover (times)	13.1	7.8	9.4
NCA / Total Debt (times)	1.26	1.25	0.58
Gearing (times)	0.26	0.26	0.57
Total Debt / PBDIT (times)	0.73	0.69	1.52

Ramkrishna Care Medical Sciences Pvt Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
24/Apr/2009	A	-	-	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the financials of Quality Care India Ltd (QCIL), Visakha Hospitals and Diagnostics Ltd (VHDL), Ganga Care Hospital Ltd (GCHL), Ramakrishna Care Medical Sciences Pvt Ltd (RCMSPL), Care Institute of Medical Sciences Ltd (Care Institute), Galaxy Care Laparoscopy Institute Pvt Ltd (GCLIPL), Quality Care Health Services Pvt Ltd (QCHSPL), Quality Care Pharma Trading Pvt Ltd (QCPTPL), and Care Health Clinics Pvt Ltd (CHCPL), collectively referred to as the Care group. The Care group was set up in 1997 by cardiologists, Dr. B Soma Raju and Dr. N Krishna Reddy. The Care group's first venture was the Care Heart Centre at Hyderabad, with a capacity of 100 beds. Over the years, the group has spread to various locations across India; its facilities have a combined capacity of 1613 beds. The group has a presence in Vizag, Surat, Nagpur, Pune, Raipur and Bhubaneswar, besides its significant presence in Hyderabad. The group provides tertiary healthcare services in multi-specialty areas, with primary focus on cardiac healthcare, through healthcare centres under QCIL, VHDL, GCHL, and RCMSPL. GCHL operates the hospital in Nagpur, RCMSPL in Raipur and VHDL in Vizag. The remaining hospitals are under QCIL. QCIL holds 100 per cent stake in VHDL, 61.69 per cent in GCHL, and 72.72 per cent in Care Institute.

RCMSPL, promoted by Dr. Sandeep Dave, is a Raipur-based hospital which began operations in 1998. On April 6, 2007, the Care group acquired and continues to hold 50 per cent stake in RCMSPL. In 2008-09, QCIL acquired 57.86 per cent of the equity share capital of GCLIPL.

Rating Strengths

- Established market position in the tertiary healthcare segment
- Healthy operating efficiencies
- Healthy financial risk profile

Rating Weaknesses

- Exposure to competition in healthcare industry
- Below Average performance of some of the group's hospitals
- Exposure to risks related to delays in commencement and stabilisation of commercial operations at its planned capacity additions

Outlook: Stable

CRISIL believes that the Care group will maintain its business risk profile over the medium term, supported by its strong revenue growth as a result of its significant capacity expansion. While the group is exposed to risks related to project commercialisation and to losses in some of its subsidiaries, CRISIL believes that the group's gearing and debt protection metrics will remain comfortable over the medium term. The outlook may be revised to 'Positive' if the group's revenues and operating margin improve significantly with timely completion of its capacity expansion project and turnaround in its loss-making entities. Conversely, the outlook may be revised to 'Negative' if the group undertakes a larger-than-expected debt-funded capital expenditure (capex), thereby weakening its capital structure, or if its business risk profile is adversely impacted by delay in stabilisation of operations at its new facilities.

Key Rating Sensitivity Factors

- Capex and acquisition plans, and their funding mix
- Operational stability of new projects
- Performance of loss making hospitals

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3817	3256	2499
OPBDIT	417	373	264
PAT	49	98	(4)
Tangible Networth	1602	1588	1499
Total Debt	1153	1223	1128

OPBDIT Margins (%)	10.9	11.4	10.5
Net Profit Margins (%)	1.3	3.0	(0.2)
Interest cover (times)	3.38	2.93	2.64
NCA / Total Debt (times)	0.19	0.18	0.15
Gearing (times)	0.72	0.77	0.75
Total Debt / PBDIT (times)	2.71	3.13	3.93

Ramkrishna Forgings Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
04/Jul/2011	A-	-	-	Stable

Company Background:

Ramkrishna Forgings Ltd (RKFL) was incorporated in 1981 mainly to manufacture forging products for the Indian Railways. Subsequently, the company came out with an initial public offering in 2004, and was listed at the Bombay and the National Stock Exchanges. RKFL currently has three manufacturing facilities, two in Jamshedpur (Jharkhand) and one in Howrah (West Bengal), with forging capacity of 37,700 tonnes per annum (tpa) and ring-rolling capacity of 24,000 tpa. The manufacturing facilities of the company are ISO/TS 16949 certified. Its key suppliers include Usha Martin Ltd and Adhunik Metaliks Ltd, while its key customer is Tata Motors Ltd (rated 'CRISIL AA-/Stable/CRISIL A1+'), besides other original equipment manufacturers (OEMs) such as Ashok Leyland Ltd ('CRISIL AA-/Stable/CRISIL A1+') and Eicher Motors Ltd.

Rating Strengths

- Established market position in automotive component industry, and strong operating efficiencies
- Strong financial risk profile

Rating Weaknesses

- Dependence on cyclical commercial vehicle (CV) segment, and customer concentration in revenue profile
- Working-capital-intensive nature of operations

Outlook: Stable

CRISIL believes that RKFL will maintain its market position in the forging industry over the medium term, supported by its established clientele and healthy operating efficiency. The outlook may be revised to 'Positive' is RKFL reduces its dependency on the auto sector or expands its customer base, while maintaining its strong financial risk profile. Conversely, the outlook may be revised to 'Negative' if the company's financial risk profile deteriorates, most likely due to significant debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Sustenance and maintenance of operating margin
- Working capital management
- Extent and funding mix of capex.

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	3,695	2,571	1,989
OPBDIT	721	467	401
PAT	221	109	45
Tangible Networth	1,535	1,266	948
Total Debt	2,103	1,907	1,951
OPBDIT Margins (%)	17.6	16.4	17.5
Net Profit Margins (%)	5.4	3.8	2.0
Interest cover (times)	4.06	2.66	1.78
NCA / Total Debt (times)	0.19	0.12	0.08
Gearing (times)	1.37	1.51	2.06
Total Debt / PBDIT (times)	2.92	4.04	4.64

Ramky Enviro Engineers Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
26/Apr/2011	A	-	A1	Stable
30/ Jun/2010	A-	-	A2+	Positive
22/ Sep/2009	A-	-	A2+	Stable

Company Background:

For arriving at its ratings on the bank facilities of Ramky Enviro Engineers Ltd (Ramky Enviro), CRISIL has combined the business and financial risk profiles of Ramky Enviro and its subsidiaries. Ramky Enviro, set up in 1994 by Mr. Alla Ayodhya Rami Reddy, began operations as a liaison agent between companies seeking environment clearance and the pollution control boards. Gradually, it expanded operations into setting up waste treatment plants. Ramky Enviro set up India's first biomedical and hazardous waste management (BWM and HWM) facilities. The group now owns 15 BWM facilities, 14 HWM facilities, and manages municipal solid waste (MSW) at 14 locations. The group is currently setting up MSW management facilities at 5 other locations.

Rating Strengths

- Robust market position: pioneer in waste management in India
- Healthy financial risk profile

Rating Weaknesses

- Exposure to risks related to large capital expenditure (capex) plans, especially for venture into waste-to-energy (WTE) projects
- Susceptibility to risks related to highly regulated nature of waste management business and unfavourable changes in government policies

Outlook: Stable

CRISIL believes that the Ramky Enviro group will maintain its business risk profile over the medium term on the back of its experience in waste management. CRISIL also believes that the group will maintain its financial risk profile during this period, despite its large capital expenditure (capex), supported by healthy cash accruals. The outlook may be revised to 'Positive' if the group achieves more-than-expected improvement in its operating revenues and profitability and successfully implements its WTE projects. Conversely, the outlook may be revised to 'Negative' if the group undertakes larger-than-expected debt-funded capex programme or witnesses delays in implementing its WTE projects.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Adverse change in government policy
- Success of WTE projects

Financial Performance

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	4,000	2,670	1,620
OPBDIT	1,172	838	530
PAT	524	356	129
Tangible Networth	3,422	2,882	736
Total Debt	2,063	1,617	1,768
OPBDIT Margins (%)	29.3	31.3	32.6
Net Profit Margins (%)	13.1	13.3	7.9
Interest cover (times)	4.38	4.34	2.17
NCA / Total Debt (times)	0.38	0.35	0.16
Gearing (times)	0.60	0.56	2.40
Total Debt / PBDIT (times)	1.75	1.92	3.31

Ramky Infrastructure Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
28/Jul/2011	A+		A1	Stable
19/Jan/2011	A		A1	Stable
21/Jun/2010	A-		A2+	Stable
13/Oct/2008	BBB+		A2	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Ramky Infrastructure Ltd (Ramky Infra) and its nine subsidiaries: Ramky Towers Ltd (RTL), Ramky Enclave Ltd (REL), MDDA Ramky IS Bus Terminal Ltd (MDDA), Ramky Pharmacity India Ltd (RPIL), Ramky Herbal and Medicinal Park (Chhattisgarh) Ltd (RHMPL), Ramky Food Park (Chhattisgarh) Ltd (RFPL), Naya Raipur Gems and Jewellery SEZ Ltd (NRGJL), Ramky-MIDC Agro Processing Park Ltd (MIDC), and Ramky Engineering and Consulting Services (FZC), collectively referred to as the Ramky Infra group.

Ramky Infra, the flagship company of the Ramky Infra group, was incorporated as Ramky Engineers Pvt Ltd in 1994 to provide civil and environmental engineering consultancy services. In 1998, it diversified into construction and began to undertake civil and environmental engineering, procurement, and construction (EPC) projects, primarily in the water and waste water (WWW) sector. Subsequently, it started road, building, irrigation, and industrial construction. In 2003, the company was renamed Ramky Infrastructure Pvt Ltd, and was, thereafter, converted into a public limited company with the current name. The company principally operates in two business segments: construction, carried out by Ramky Infra itself, and real-estate development, implemented through special purpose vehicles (SPVs).

Rating Strengths

- Robust revenue growth with sizeable order book
- Well-diversified revenue base and moderate geographical spread
- Healthy financial risk profile

Rating Weaknesses

- Exposure to risks associated with build-operate-transfer projects and real-estate development business
- Working-capital-intensive operations

Outlook: Stable

CRISIL believes that the Ramky Infra group will maintain its healthy business risk profile, supported by its sizeable order book and superior execution capabilities, over the medium term. The outlook may be revised to 'Positive' if the Ramky Infra group improves its capital structure, delivers its orders in a timely manner, and maintains its profitability, while improving its working capital cycle. Conversely, the outlook may be revised to 'Negative' if there are time and cost overruns in the group's ongoing and future projects, leading to deterioration in its capital structure, or there is substantial increase in the group's investments in SPVs, leading to weakening in its financial risk profile.

Key Rating Sensitivity Factors

- Working capital management
- Timely execution of sizeable order book
- Extent of time and cost overruns in projects undertaken by SPVs

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	27305	18076	13898
OPBDIT	2999	1980	1397
PAT	1574	1027	645
Tangible Networth	8890	4263	3235
Total Debt	6757	4739	3896
OPBDIT Margins (%)	10.9	10.9	10.0
Net Profit Margins (%)	5.7	5.7	4.6
Interest cover (times)	4.38	3.27	2.69
NCA / Total Debt (times)	0.26	0.24	0.20
Gearing (times)	0.76	1.11	1.20
Total Debt / PBDIT (times)	2.25	2.37	2.72

Rashtriya Chemicals and Fertilizers Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Positive
Rating History				
03/Jun/2010	A+	-	A1+	Positive
12/Dec/2005	A+	-	A1+	Stable

Company Background:

Rashtriya Chemicals and Fertilizers Ltd (RCF) was incorporated in 1978, following the reorganisation of the erstwhile Fertiliser Corporation of India Ltd. The company's diverse product mix includes urea and complex fertilisers—Suphala 15:15:15 and Suphala 20:20:20—also known as ANP. RCF's industrial chemicals product portfolio includes more than 15 products such as methanol, methylamines, di-methyl formamide (DMF), ammonium nitrate melt, nitric acid, and ammonia. It has plants in Trombay and Thal, both in Maharashtra. The Thal unit primarily manufactures urea and operates with a capacity of 1.7 million tonnes per annum (tpa). The unit also manufactures some industrial products. The Trombay unit has a capacity to manufacture various industrial products, 0.33 million tpa of urea, and 0.66 million tpa of complex fertilisers. The Trombay urea plant, which was closed for the past four years due to shortage of gas, started production in 2009-10 on the commencement of supply of gas from Reliance Industries Ltd's (RIL's; rated 'CRISIL AAA/Stable/CRISIL A1+') Krishna-Godavari (KG) basin. GoI holds 92.5 per cent stake in RCF, while the public and financial institutions hold the remainder.

Rating Strengths

- Established position in fertiliser industry and diversified revenue profile
- Integrated operations in fertilisers and industrial chemicals
- Healthy financial risk profile

Rating Weaknesses

- Cyclicality in industrial products business
- Regulated nature of fertiliser industry

Outlook: Positive

CRISIL believes that RCF's profitability and cash accruals will remain healthy over the medium term, on the back of its diversified business profile and expected benefits from its recently completed projects. The debt-funded capital expenditure (capex) notwithstanding, RCF's financial risk profile is expected to remain healthy, marked by a large net worth, and comfortable gearing and debt protection metrics. The ratings may be upgraded if the complex fertiliser segment's profitability improves on a sustained basis, coupled with timely completion of the de-bottlenecking project, which would result in an improvement in urea profitability. The ratings could also be upgraded if the company generates stable revenues from carbon credits, or in case of favourable changes in the new urea concession policy that is yet to be announced. Conversely, the outlook could be revised to 'Stable' if RCF undertakes a larger-than-expected debt-funded capex, thereby resulting in a weakening of its debt protection metrics; if there is any adverse change in the urea concession policy; or if the fixed subsidy under the nutrient based subsidy scheme is inadequate to cover any sharp increase in raw material prices.

Key Rating Sensitivity Factors

- Capex plans, including expansion project at Thal plant, and their funding mix
- Successful completion of de-bottlenecking and energy efficiency project
- Impact of increase in gas prices on industrial products' profitability
- Impact of government's urea policy
- Improvement in profitability of complex fertiliser operations

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	55049	56419	83,664
OPBDIT	3972	2755	5450
PAT	2451	2349	2116
Tangible Networth	20105	18369	16719
Total Debt	4828	13347	14228
OPBDIT Margins (%)	7.1	4.8	6.5
Net Profit Margins (%)	4.4	4.1	2.5
Interest cover (times)	8.14	7.41	4.40
NCA / Total Debt (times)	0.60	0.20	0.16
Gearing (times)	0.24	0.73	0.85
Total Debt / PBDIT (times)	0.90	2.55	2.67

Ratilal Becharlal & Sons

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
31/Mar/2011	A-	-	-	Stable
29/Oct/2009	-	-	A2+	-

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Ratilal Becharlal & Sons, Uni Gems India Pvt Ltd (both in the diamond business); Elegant Collection, Jasani Jewellery, RB Jewellery Corporation, Jasani Jewellery II (all four in the diamond-studded jewellery business); Dia Man Exports Pvt Ltd (into both diamond as well as diamond studded jewellery business); and Supreme Gems Pvt Ltd, Ratilal Becharlal Diamonds Pvt Ltd, and Ornat Gems Pvt Ltd (support units for the other entities in the group). All these entities have been collectively referred to herein as the Jasani group.

The Jasani group, promoted by Mr. Ratilal Becharlal Jasani in 1966, with Ratilal Becharlal & Sons as the group's flagship firm, is closely held by Jasani family. The group is primarily engaged in exports of rough diamonds, polished diamonds, and diamond-studded gold jewellery, though it has domestic operations as well. The group focuses on the round and princess-cut diamonds and specialises in Triple Excellent, Hearts, and Arrows, along with proprietary cuts such as Love Mark and Movado. The group has been a Diamond Trading Corporation (DTC) sightholder since the past 36 years. It does not own jewellery brands; however, it has marketing rights for Asian and Gulf countries for brands such as Perfect Choice, You, Love Mark, Trestelle, and the Bride's Pendant, which are currently owned by The Stuckey Co, USA. The Jasani group sells its products in the US, Japan, Europe, the Far East, and India.

Rating Strengths

- Healthy financial risk profile, marked by high net worth, low gearing, and moderate debt protection indicators
- Strong operational efficiencies, driven by assured supplies of rough diamonds from DTC and Alrosa Company Ltd, Russia (Alrosa), and efficient working capital management
- Comfortable business risk profile, with presence in segments such as polished diamonds and diamond-studded jewellery, and extensive experience of promoters

Rating Weaknesses

- Vulnerability of profitability to fluctuation in diamond prices and foreign exchange rates
- Exposure to risks related to revenue concentration in US and European markets

Outlook: Stable

CRISIL expects the Jasani group to maintain its healthy financial risk profile on the back of its efficient working capital management. CRISIL also expects the group to maintain its established market position and strong operating efficiencies. The outlook may be revised to 'Positive' if the group's revenue and profitability increase significantly, while it maintains a healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' if the group faces pressure on revenue and profitability, or significant deterioration in capital structure.

Key Rating Sensitivity Factors

- Revenue growth and operating profitability
- Continued efficiency in working capital management
- Continuity of assured diamond supplies from DTC and Alrosa
- Any significant deterioration in financial risk profile, including due to substantial withdrawal of capital by promoters

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	10629	9,299	9,699
OPBDIT	675	(99)	478
PAT	469	(303)	199
Tangible Networth	2998	2,707	3,143
Total Debt	2217	760	1,808

OPBDIT Margins (%)	6.2	(1.1)	4.9
Net Profit Margins (%)	4.3	(3.3)	2.0
Interest cover (times)	6.47	(0.71)	3.68
NCA / Total Debt (times)	0.15	(0.53)	(0.01)
Gearing (times)	0.74	0.28	0.58
Total Debt / PBDIT (times)	3.00	(7.46)	3.67

Raymond Apparel Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Stable
Rating History				
18/ Oct/2010	A+	-	-	Stable
31/ Oct/2008	CCR A+	-	-	-

Company Background:

For arriving at its rating, CRISIL has combined the business and financial risk profiles of Raymond Apparel Ltd (RAL), its wholly owned subsidiary, Colorplus Fashions Ltd (Colorplus), and Solitaire Fashions Ltd (SFL; formerly GAS Apparel Ltd) which has been recently amalgamated with RAL.

RAL, a wholly owned subsidiary of Raymond Ltd (Raymond), was incorporated in 1948. The company manufactures ready-made garments and markets them under its various brand names. RAL sells its products through exclusive brand outlets (EBOs) and multi-brand outlets (MBOs). The company has also started entering into tie-ups with various lifestyle retail stores. In 2006, RAL acquired a leading casual brand, ColorPlus, to extend its brand portfolio to the premium casuals segment. ColorPlus contributes to about one-fourth of the company's consolidated revenues. Over the next two to three years, RAL plans to expand its retail presence by piggybacking on parent's expansion through additional 'The Raymond' Shops (TRS) stores in Tier 3 cities; the company also plans to set up about 100 small-format stores and around 20 EBOs to market its products.

Rating Strengths

- Established market position, with dominant brands in domestic market
- Business and financial support from parent, Raymond

Rating Weaknesses

- Vulnerability of operating margin to intense competition
- High gearing and weak debt protection measures.

Outlook: Stable

CRISIL believes that RAL will be able to maintain its current business risk profile on the back of a moderate demand growth as a result of an improving economic scenario and its expanding reach. RAL's financial profile is likely to improve gradually over the medium term. The outlook may be revised to 'Positive' if profitability improves beyond CRISIL's expectation and the establishment of recently introduced brands occurs sooner than expected. Conversely, it may be revised to 'Negative' if the recent retail expansion is not matched by adequate accruals from the same or if Raymond's credit profile deteriorates further.

Key Rating Sensitivity Factors

- Volatility in raw material prices
- Success of new brands
- Debt-funded capital expenditure and expansion plans, leading to deterioration in financial risk profile

Financial Performance (Not Published)

Rediffusion Dentsu Young & Rubicam Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
20/Jul/2009	A-	-	A2+	Stable

Company Background

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Rediffusion Dentsu Young & Rubicam Private Limited (Rediffusion) and Rediffusion's wholly owned subsidiary, Everest Brand Solutions Pvt Ltd (Everest).

Rediffusion, founded by Mr. Diwan Arun Nanda and Mr. Ajit Balakrishnan in 1973, is engaged in the advertising business. Rediffusion has three main business lines: creative, which is the core advertising function; TME, an independent media house; and public relations, which creates public relation platforms and manages perceptions. In 1995, Dentsu Inc (Dentsu; Japan's largest advertising agency) and Young & Rubicam Inc (Y&R; a WPP group company) acquired equity stakes of 20 per cent each in Rediffusion. Dentsu later sold part of its stake to Y&R, thus reducing its stake to 13.34 per cent. In 1998, Rediffusion acquired Everest, a rival advertising agency. Rediffusion's other subsidiaries are Wunderman India Pvt Ltd (Wunderman; a direct marketing agency), Rediffusion DY&R Pvt Ltd (Sri Lanka), Showdiff Worldwide Pvt Ltd (Showdiff; an event management company), and Sudler & Hennessey Pvt Ltd (S&H, a healthcare communications company). The company is focussing on building capabilities in the mobile and digital space.

Rating Strengths

- Established relations with major customers
- Moderate financial risk profile
- Promoter's industry experience

Rating Weaknesses

- Large working capital requirements
- Moderate market position and operating efficiencies

Outlook: Stable

CRISIL believes that Rediffusion will maintain a stable business risk profile over the medium term, despite the loss of some of its major clients, because of initiatives undertaken by the company to streamline its operating costs. The company's financial risk profile is also expected to remain moderate, supported by lower debt level and comfortable debt protection metrics. The outlook may be revised to 'Positive' if Rediffusion's operating income and profitability improve substantially over the medium term. Conversely, the outlook may be revised to 'Negative' in case of further decline in the company's revenues, its operating profits are not maintained as expected, or if Rediffusion's capital structure deteriorates, most likely because of debt-funded capital expenditure (capex) or acquisitions.

Key Rating Sensitivity Factors

- Continuity of business with major clients
- Impact of cost rationalisation initiatives on operating profitability
- Capex or acquisition plans, and their funding mix
- Deterioration in liquidity and working capital management

Financial Performance (Not Published)

Revathi Equipment Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
24/Nov/2011	A	-	A1	Stable
29/Nov/2010	A+	-	A1	Stable
17/Mar/2009	A+	-	A1+	Stable

Company Background:

For arriving at its ratings, CRISIL has consolidated the credit profiles of Revathi Equipment Limited (REL) and its subsidiaries, Revathi Drilling and Mining Ltd (RDML), and Potential Consultant Systems Pvt Ltd (PSCPL), and has proportionately consolidated financials of its associate, Panchatatva Reality (60 per cent). The group is collected referred to as the Revathi group.

REL, incorporated in 1977, has two manufacturing sites, at Coimbatore (mining drilling equipment) and Gummidipoondi near Chennai (construction equipment), in Tamil Nadu. The company manufactures water-well and blast-hole rigs, drilling accessories, construction equipment, and allied products.

REL holds over 60 per cent stake in PSCPL and 100 per cent stake in RDML, which is yet to commence operations. In the recent past, REL diversified into the real estate space through a 60:40 joint venture (JV), Panchatatva Realty with Tridhaatu Reality and Infra Pvt Ltd. REL has spent around Rs.170 million towards its share of purchase of land for a commercial project at Navi Mumbai; construction work is yet to commence on the project. Furthermore, in September 2010, REL invested USD 1 million to acquire 20 per cent equity stake in Satellier Holdings Inc, USA, an offshore outsourced services provider of computer aided design and building information modelling production solutions to architecture, engineering, and construction firms.

Rating Strengths

- Strong market position in domestic drilling equipment business
- Adequate financial risk profile

Rating Weaknesses

- Sub-par performance of construction equipment division (CED)
- Working-capital-intensive operations, marked by high lead periods in mining equipment business
- Diversification into unrelated high-risk real estate business

Outlook:Stable

CRISIL believes that the Revathi group will continue to benefit from its established position in the drilling equipment business and its healthy capital structure. The outlook may be revised to 'Positive' if the group reports significantly higher-than-expected revenues and profitability in its key business segments, or if it reduces its debt levels considerably by reducing its working capital requirements, thereby improving its debt protection metrics. Conversely, the outlook may be revised to 'Negative' if the Revathi group reports significantly lower-than-expected revenues and profitability, or undertakes larger-than-expected debt-funded capital expenditure (capex) or acquisitions, leading to deterioration in its debt protection metrics.

Key Rating Sensitivity Factors

- Operating profitability trends
- Large debt-funded capex
- Ability to ramp up revenues in CED
- Additional support to, and cash flows from, real estate JV

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2179	1904	1589
OPBDIT	243	210	228
PAT	109	2	-13
Tangible Networth	1409	1330	1203
Total Debt	663	924	1094
OPBDIT Margins (%)	11.1	10.9	14.3
Net Profit Margins (%)	5.0	0.1	-0.8
Interest cover (times)	3.87	2.67	1.88
NCA / Total Debt (times)	0.35	0.13	0.08
Gearing (times)	0.47	0.69	0.91
Total Debt / PBDIT (times)	1.78	3.66	4.07

Riddhi Siddhi Gluco Biols Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A-		A2+	Rating Watch With Developing implications
Rating History				
20/Dec/2010	A-		A2+	Placed on Rating Watch With Developing Implications
09/Aug/2010	A-		A2+	Stable
22/Oct/2009	A-		A2+	Negative
17/Dec/2008	A-	-	A2+	Stable

Company Background:

Riddhi Siddhi Gluco Biols Limited (RSGBL) was promoted in 1994 by the Chowdhary family for manufacturing starch. The company set up its first unit in Viramgam (Gujarat); the unit had a maize-grinding capacity of 75 tonnes per day (tpd). Over the years, the company has expanded its capacity and currently operates at 2000 tpd with plants in Viramgam, Gokak (Karnataka), and Pantnagar (Uttarakhand). The company's products include cornstarch powder, liquid and powdered glucose, modified starches, glucose D, dextrose monohydrate, maltodextrine, high-maltose corn syrup, and dextrose syrup. These products cater to a number of industries, such as food processing, pharmaceuticals, paper, textiles, adhesives, inks, and paints. Roquette Freres, France (RF; rated 'A-2' by Standard & Poor's), the world leader in the starch industry, has a 14.9 per cent equity stake in RSGBL.

The ratings were placed on watch on December 20, 2010, following RSGBL's announcement that it was considering a composite restructuring scheme which could involve the demerger of the starch derivatives businesses pertaining to the company's units in Viramgam (Gujarat), Gokak, and Pantnagar into a wholly owned subsidiary, Riddhi Siddhi Corn Processing Pvt Ltd (RSCPPL), and subsequently to form a joint venture with RF. RSGBL's scheme for demerger is filed with the Gujarat High Court for approval of the same.

Rating Strengths

- Established market position in starch and starch-derivatives business, and benefits from growth prospects of end-user industries (refers to existing business, which will be transferred to RSCPPL)
- Proximity of units to maize-growing regions and to buyers, and technological tie-up with RF

Rating Weaknesses

- Susceptibility of margins to pricing pressures and fluctuations in maize prices
- Large working capital requirements

Key Rating Sensitivity Factors

- Demerger of its RSGBL's units and its future business plans
- Capital expenditure plans and their funding mix
- Maintenance of operating margin
- Working capital management

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	9,996	7,458	5,307
OPBDIT	2,538	1,221	623
PAT	1,645	392	124
Tangible Networth	3,392	1,909	1,526
Total Debt	3,124	2,341	2,750

OPBDIT Margins (%)	25.4	16.4	11.6
Net Profit Margins (%)	16.4	5.3	2.3
Interest cover (times)	15.95	5.74	2.23
NCA / Total Debt (times)	0.55	0.24	0.09
Gearing (times)	0.92	1.23	1.8
Total Debt / PBDIT (times)	1.21	1.92	4.47

Roha Dyechem Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
17/Sep/2008	A-	-	A2+	Stable

Company Background:

Established in 1972, Roha Dyechem Pvt Ltd (RDPL) manufactures dyes and colours for application in food and beverages, drugs, and cosmetics. The company has a manufacturing facility and research and development (R&D) laboratory at Roha, Maharashtra. RDPL has a wide global network with group companies across 15 countries. The group companies operate as sales and distribution offices and also trade in dye products imported from other countries. RDPL manufactures the dyes and colours at its Roha facility and ships them to various locations. The company's established brands include Idacol, Idalacol, Idacoat, Natracol, and Idacos. It also owns the patent for its brand Idacol Spheroclean and has filed for patent for its Natracol Epsacar brand, which finds application in seafood industries.

In 2007, RDPL installed five windmills, each of 1500 kilowatts (KW), at Sangli, Maharashtra, and has entered into a power purchase agreement (PPA) for the sale of power. The windmills commenced operations in March 2007. The company is undertaking a large debt-funded capital expenditure (capex) programme of Rs.3.5 billion towards setting up a 25-MW photovoltaic solar power project in Gujarat; the company has achieved financial closure for the same. RDPL has entered into a PPA with Gujarat Urja Vikas Nigam Ltd for sale of power.

Rating Strengths

- Established position in food colours business, marked by strong customer profile
- Healthy operational capabilities, backed by wide global distribution network
- Healthy financial risk profile

Rating Weaknesses

- Limited pricing flexibility and susceptibility to volatility in raw material prices
- Working-capital-intensive nature of operations due to support extended to group companies

Outlook: Stable

CRISIL believes that RDPL will continue to benefit over the medium term from its established market position in the food colours business and wide distribution network. The outlook may be revised to 'Positive' if there is a significant and sustained improvement in the company's operating margin and working capital cycle. Conversely, the outlook may be revised to 'Negative' if there are significant time or cost overruns in completion of the proposed solar power plant or if the power generation from the proposed solar power plant is lower-than-expected, thereby adversely affecting the company's debt-servicing ability.

Key Rating Sensitivity Factors

- Timely commissioning of the solar power plant within the stipulated cost
- Maintenance of operating margin, amid volatile raw material prices
- Working capital management
- Increasing exposure to group companies

Financial Performance

Rupees Million	31-Mar-11	31-Mar-09	31-Mar-08
Net Sales	2466	2563	2287
OPBDIT	1024	553	568
PAT	669	238	226
Tangible Networth	2931	2894	2656
Total Debt	1395	1018	947
OPBDIT Margins (%)	39.7	21.2	24.6
Net Profit Margins (%)	25.9	9.1	9.8
Interest cover (times)	8.70	5.10	5.63
NCA / Total Debt (times)	0.57	0.35	0.37
Gearing (times)	0.48	0.35	0.36
Total Debt / PBDIT (times)	1.45	1.74	1.62

RR Kabel Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
23/Jun/2008	A-	-	A2+	Stable

Company Background:

RR Kabel Ltd (RR Kabel) manufactures and sells light duty electricity cables (LDEC). The company was promoted in 1998 by Mr. Rameshwarlal Kabra and his three sons, Mr. Tribhuvan Prasad Kabra, Mr. Mahendra Kumar Kabra, and Mr. Shreegopal Kabra. At present, RR Kabel is the second largest LDEC manufacturer, with around 7 per cent share of the domestic market. It has two production facilities, both at Silvassa; one facility is a 100 per cent export-oriented unit. It is currently setting up a facility at Vadodara. The company is in the process of expanding its installed capacity by over 40 per cent at a total cost of around Rs.890 million, debt funded to the extent of Rs.600 million.

RR Kabel derives over 60 per cent of revenue from sale through retail channel, around 30 per cent from sale for real estate projects directly with the remaining being contributed from sales to industrial clients. Exports account for around 30 per cent of the company's revenues.

Rating Strengths

- Established market position in the LDEC segment
- Above-average financial risk profile

Rating Weaknesses

- Margins vulnerable to volatility in copper prices
- Limited revenue diversity due to dependence on LDEC
- Risks associated with implementation of large capital expenditure (capex) plans

Outlook:Stable

CRISIL believes that RR Kabel will maintain its comfortable market position in the LDEC segment, in both domestic and international markets. The outlook may be revised to 'Positive' in case of a significant improvement in the company's financial risk profile supported by healthy cash accruals. Conversely, the outlook may be revised to 'Negative' if there is a delay in the commissioning of the proposed capex resulting in pressure on liquidity profile or if its volume and profitability decline resulting in weakening of financial risk profile.

Key Rating Sensitivity Factors

- Capex and its funding pattern
- Demand for LDEC in domestic as well as overseas market
- Any unexpected high exposure in Incab Industries Ltd's acquisition

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	5806	4211	4142
OPBDIT	378	454	400
PAT	189	253	152
Tangible Networth	1063	918	725
Total Debt	1494	728	653

OPBDIT Margins (%)	6.4	10.6	9.5
Net Profit Margins (%)	3.2	5.2	3.0
Interest cover (times)	15.5	6.03	2.36
NCA / Total Debt (times)	0.14	0.31	0.2
Gearing (times)	1.40	0.80	0.88
Total Debt / PBDIT (times)	3.80	1.64	1.59

SH Kelkar and Company Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
29/Sep/2011	A-	-	-	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of SH Kelkar and Company Pvt Ltd (SHKPL), its wholly owned subsidiaries Keva Fragrances Pvt Ltd (Keva Fragrances), KV Arochem Pvt Ltd (KVPL), Keva Flavours Pvt Ltd (KFPL), and Keva Biotech Pvt. Ltd (KBPL), and its Netherland based step-down subsidiary PFW Aroma Chemicals BV (PFW). All entities are collectively referred to as the Kelkar group.

Set up in 1922 as a partnership firm by Mr. Sadashiv Haribhau Kelkar and his brother, Mr. Damodar Vaze and reconstituted as a private limited company in 1955, SHKPL is a leading manufacturer of fragrances and flavours. SHKPL's products have applications in varied sectors such as fast-moving consumer goods (FMCG), pharmaceuticals, and dairy products.

SHKPL has the following subsidiaries:

1. Keva Fragrances -100 per cent Export Oriented Unit (EOU)- Manufactures and exports Fragrances, Flavours and Aroma Chemicals
2. KVPL- Aroma Ingredients Manufacturing Unit – Manufactures products like inorganic chemicals, aromatic chemicals, aldehydes and ketones
3. KBPL- Manufacturing of natural essential oils,
4. KFPL- Flavours manufacturing unit for - food industries
5. Netherlands based step-down subsidiary PFW acquired in 2008 by the promoters and later became a subsidiary of Kelkar group in 2011- Manufactures aroma chemicals and specialty chemicals.

SHKPL's manufacturing units are located at Vashivalli (Maharashtra), Vapi (Gujarat), and Bengaluru (Karnataka). The company's registered office is at Mulund in Mumbai. Mr. Ramesh Vaze is the company's managing director. His son, Mr. Kedar Vaze, who is a director on the boards of various Kelkar group companies, oversees the company's day-to-day operations.

Rating Strengths

- Established position of the group in flavours and fragrances industry and extensive industry experience of promoters
- Healthy financial risk profile

Rating Weakness

- Susceptibility of group's revenue profile to offtake by user sectors, against the backdrop of increasing competitive intensity of the fragrances industry

Outlook: Stable

CRISIL believes that the Kelkar group will continue to benefit over the medium term from its established position in the flavours and fragrances industry and the extensive industry experience of its promoters. The outlook may be revised to 'Positive' if the group reports significantly higher-than-expected revenue growth while maintaining its margins and capital structure. Conversely, the outlook may be revised to 'Negative' if the group's debt protection metrics deteriorate because of large debt-funded capital expenditure (capex) or acquisition.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Inorganic growth initiatives and funding mix

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2,524	2,255	2,068
OPBDIT	2297	1607	806
PAT	363	256	185
Tangible Networth	2,840	2,477	2,221
Total Debt	-	11	163
OPBDIT Margins (%)	22.5	20.8	17.9
Net Profit Margins (%)	14.4	11.3	8.9
Interest cover (times)	143.87	-	30.62
NCA / Total Debt (times)	-	30.79	1.47
Gearing (times)	-	-	0.07
Total Debt / PBDIT (times)	-	-	30.62

Sai Service Station Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
13/Apr/2010	A	-	A1	Stable
16/Jul/2009	A-	-	A2+	Positive
16/Jun/2008	A-	-	A2+	Stable

Company Background:

For arriving at the ratings, CRISIL has combined the financials of Sai Service Station Ltd (Sai Service) and Sai Service's wholly owned subsidiary, Sai Service Spares & Accessories Ltd (SSAL).

Incorporated in 1985 as a private limited company, Sai Service converted into a public limited company in 1994. The promoters, however, bought back the shares from the public and de-listed the company in January 2009. The company owns dealership licences for Maruti Suzuki India Ltd's (rated 'CRISIL AAA/Stable/CRISIL A1+') passenger cars for Mumbai, Pune, Kolhapur (Maharashtra), Goa, and Kochi (Kerala). It also has dealership licences for Bajaj Auto Ltd's ('CRISIL AAA/FAAA/Stable/CRISIL A1+') two- and three-wheelers for Pune and Kolhapur.

Rating Strengths

- Strong financial risk profile marked by low gearing and healthy debt protection measures
- Established presence in automobile dealership business, with large network of showrooms and service centres

Rating Weakness

- Exposure to risks relating to intense competition in automotive dealership market

Outlook:Stable

CRISIL believes that Sai Service will maintain its strong financial risk profile over the medium term, supported by stable cash accruals and moderate bank limit utilisation, because of reduced working capital requirements. The outlook may be revised to 'Positive' if Sai Service improves its market share and reports substantial improvement in revenues and operating profits. Conversely, the outlook may be revised to 'Negative' if there is a decline in the company's operating margin, if its financial risk profile deteriorates, due to a large, debt-funded capital expenditure (capex), or in case of larger-than-expected incremental working capital requirements.

Key Rating Sensitivity Factors

- Working capital management
- Maintenance of operating margin
- Large debt-funded capex or unrelated diversification

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	11,487	9,232	9,111
OPBDIT	513	372	337
PAT	260	142	109
Tangible Networth	783	592	484
Total Debt	148	192	599

OPBDIT Margins (%)	4.5	4.0	3.7
Net Profit Margins (%)	2.3	1.5	1.2
Interest cover (times)	12.80	6.59	4.55
NCA / Total Debt (times)	1.90	0.94	0.23
Gearing (times)	0.19	0.33	1.24
Total Debt / PBDIT (times)	0.28	0.51	1.74

Mar-10 pertains to standalone nos.

Sainik Mining and Allied Services Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
14/Aug/2008	A-	-	A2+	Stable

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Sainik Mining and Allied Services Ltd (SMASL) and its subsidiaries, Kalinga Coal Mining Pvt Ltd (KCMPL, rated 'CRISIL A-/Stable'), MP Sainik Coal Mining Pvt Ltd (MP Sainik) and Sainik Mining (International) Ltd (SMIL), together referred to as Sainik group.

SMASL, promoted by Capt. K S Solanki and Capt. R S Sindhu, provides coal-mining services, using surface miners, conventional mining (through blasting), removal of overburden, and providing logistics services. The Sainik group commenced operations in 1980 under Sainik Transporters Pvt Ltd, which provided loading and transportation services to Coal India Ltd (CIL, rated 'CCR AAA/CRISIL AAA/Stable/CRISIL A1+'). In 1989, Sainik Transporters Pvt Ltd was merged with its other associate companies (promoted by the directors) to form a single unit, SMASL. SMASL has acquired the mining rights for two coal blocks in Utkal (Orissa) and Amelia (Madhya Pradesh) through joint ventures with Orissa Mining Corporation Ltd (OMCL) - KCMPL and Madhya Pradesh State Mining Corporation Ltd (MPSMCL) – MP Sainik, respectively.

Rating Strengths

- Established market position in coal mining services
- Healthy financial risk profile

Rating Weaknesses

- Large investments in development of coal blocks, constraining credit profile
- High dependence on CIL

Outlook:Stable

CRISIL believes that SMASL will maintain its established market position and continue to benefit from its promoters industry experience, over the medium term. The outlook may be revised to 'Positive' if SMASL ensures smooth operations in KCMPL and MP Sainik, achieving higher profitability from these ventures, thereby improving its capital structure. Conversely, the outlook may be revised to 'Negative' if SMASL's financial risk profile deteriorates because of more-than-anticipated, debt-funded capital expenditure (capex) or lower-than-estimated profitability.

Key Rating Sensitivity Factors

- Capex and funding thereof
- Timely receipt of second tranche of equity infusion from IDBI Trusteeship Services Ltd
- Further delays in commencement of coal mining in KCMPL and MP Sainik

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3237	2579	2075
OPBDIT	736	685	608
PAT	121	348	121
Tangible Networth	2998	2798	2351
Total Debt	1767	1610	1114

OPBDIT Margins (%)	19.2	20.8	22.6
Net Profit Margins (%)	3.2	10.6	4.5
Interest cover (times)	4.29	5.92	6.20
NCA / Total Debt (times)	0.31	0.27	0.45
Gearing (times)	0.59	0.57	0.47
Total Debt / PBDIT (times)	2.23	2.23	1.67

Salarpuria Griha Nirman Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
04/May/2011	A	-	-	Stable
01/Dec/2009	BBB+	-	-	Positive

Company Background:

For arriving at its ratings, CRISIL has consolidated the business and financial risk profiles of 35 companies, including Salarpuria Griha Nirman Pvt Ltd, together referred to as the Salarpuria-Sattva group. The group was founded by the late Mr. G. D. Salarpuria in 1986 in Kolkata.

The group has been involved in construction and development of real estate for the past 25 years. Salarpuria Properties Pvt Ltd and Sattva Developers Pvt Ltd are the two flagship companies of the group, with around 33 other group entities actively engaged in the real estate business. Till date, the group has completed 71 real estate projects (mainly commercial) in Bengaluru. The group is shifting its focus to residential real estate sector from being a predominantly commercial real estate player. It has also entered the Hyderabad, Mysore, and Visakhapatnam markets.

Rating Strengths

- Healthy financial risk profile marked by comfortable capital structure and high financial flexibility because of large portfolio of leased assets
- Strong brand name, and good track record, in Bengaluru real estate market

Rating Weaknesses

- Revenue concentration in information technology (IT) and IT-enabled services (ITeS) sectors
- Risks and cyclicality inherent in real estate sector

Outlook: Stable

CRISIL believes that the Salarpuria-Sattva group will maintain its strong market position in the Bengaluru real estate market, given its established track record. The outlook may be revised to 'Positive' in case of a significant increase in the group's revenues and geographic diversification, leading to improvement in its business risk profile. Conversely, the outlook may be revised to 'Negative' if the saleability of the group's projects is below expectation, resulting in weakening in its financial risk profile, or if the group makes sizeable investments in unrelated businesses.

Key Rating Sensitivity Factors

- Significant increase in debt funding of projects
- Investments in unrelated businesses
- Successful completion of projects

Financial Performance

Rupees Billion	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1.04	3.27	0.57
OPBDIT	2.12	2.93	1.62
PAT	1.03	1.57	0.67
Tangible Networth	13.17	12.14	10.33
Total Debt	4.47	4.89	7.14
OPBDIT Margins (%)	70.0	56.9	70.0
Net Profit Margins (%)	34.1	30.5	28.8
Interest cover (times)	4.3	4.9	2.4
NCA / Total Debt (times)	0.32	0.43	0.12
Gearing (times)	0.34	0.4	0.69
Total Debt / PBDIT (times)	3.0	4.3	3.5

Salarpuria Homes Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A			**Stable**
Rating History				
04/May/2011	**A**	**-**	**-**	**Stable**
01/Dec/2009	**BBB+**	**-**	**-**	**Positive**

Company Background:

For arriving at its ratings, CRISIL has consolidated the business and financial risk profiles of 35 companies, including Salarpuria Homes Pvt Ltd (Salarpuria Homes), together referred to as the Salarpuria-Sattva group. The group was founded by the late Mr. G. D. Salarpuria in 1986 in Kolkata.

The group has been involved in construction and development of real estate for the past 25 years. Salarpuria Properties Pvt Ltd and Sattva Developers Pvt Ltd are the two flagship companies of the group, with around 33 other group entities actively engaged in the real estate business. Till date, the group has completed 71 real estate projects (mainly commercial) in Bengaluru. The group is shifting its focus to residential real estate sector from being a predominantly commercial real estate player. It has also entered the Hyderabad, Mysore, and Visakhapatnam markets.

Rating Strengths

- Healthy financial risk profile marked by comfortable capital structure and high financial flexibility because of large portfolio of leased assets
- Strong brand name, and good track record, in Bengaluru real estate market

Rating Weaknesses

- Revenue concentration in information technology (IT) and IT-enabled services (ITeS) sectors
- Risks and cyclicality inherent in real estate sector

Outlook: Stable

CRISIL believes that the Salarpuria-Sattva group will maintain its strong market position in the Bengaluru real estate market, given its established track record. The outlook may be revised to 'Positive' in case of a significant increase in the group's revenues and geographic diversification, leading to improvement in its business risk profile. Conversely, the outlook may be revised to 'Negative' if the saleability of the group's projects is below expectation, resulting in weakening in its financial risk profile, or if the group makes sizeable investments in unrelated businesses.

Key Rating Sensitivity Factors

- Significant increase in debt funding of projects
- Investments in unrelated businesses
- Successful completion of projects

Financial Performance

Rupees Billion	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1.04	3.27	0.57
OPBDIT	2.12	2.93	1.62
PAT	1.03	1.57	0.67
Tangible Networth	13.17	12.14	10.33
Total Debt	4.47	4.89	7.14

OPBDIT Margins (%)	70.0	56.9	70.0
Net Profit Margins (%)	34.1	30.5	28.8
Interest cover (times)	4.3	4.9	2.4
NCA / Total Debt (times)	0.32	0.43	0.12
Gearing (times)	0.34	0.4	0.69
Total Debt / PBDIT (times)	3.0	4.3	3.5

Salarpuria Properties Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
04/May/2011	A	-	A1	Stable
01/Dec/2009	BBB+	-	A2	Positive

Company Background:

For arriving at its ratings, CRISIL has consolidated the business and financial risk profiles of 35 companies, including Salarpuria Properties Pvt Ltd (Salarpuria Properties) together referred to as the Salarpuria-Sattva group. The group was founded by the late Mr. G. D. Salarpuria in 1986 in Kolkata.

The group has been involved in construction and development of real estate for the past 25 years. Salarpuria Properties and Sattva Developers Pvt Ltd are the two flagship companies of the group, with around 33 other group entities actively engaged in the real estate business. Till date, the group has completed 71 real estate projects (mainly commercial) in Bengaluru. The group is shifting its focus to residential real estate sector from being a predominantly commercial real estate player. It has also entered the Hyderabad, Mysore, and Visakhapatnam markets.

Rating Strengths

- Healthy financial risk profile marked by comfortable capital structure and high financial flexibility because of large portfolio of leased assets
- Strong brand name, and good track record, in Bengaluru real estate market

Rating Weaknesses

- Revenue concentration in information technology (IT) and IT-enabled services (ITeS) sectors
- Risks and cyclicality inherent in real estate sector

Outlook: Stable

CRISIL believes that the Salarpuria-Sattva group will maintain its strong market position in the Bengaluru real estate market, given its established track record. The outlook may be revised to 'Positive' in case of a significant increase in the group's revenues and geographic diversification, leading to improvement in its business risk profile. Conversely, the outlook may be revised to 'Negative' if the saleability of the group's projects is below expectation, resulting in weakening in its financial risk profile, or if the group makes sizeable investments in unrelated businesses.

Key Rating Sensitivity Factors

- Significant increase in debt funding of projects
- Investments in unrelated businesses
- Successful completion of projects

Financial Performance

Rupees Billion	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1.04	3.27	0.57
OPBDIT	2.12	2.93	1.62
PAT	1.03	1.57	0.67
Tangible Networth	13.17	12.14	10.33
Total Debt	4.47	4.89	7.14

OPBDIT Margins (%)	70.0	56.9	70.0
Net Profit Margins (%)	34.1	30.5	28.8
Interest cover (times)	4.3	4.9	2.4
NCA / Total Debt (times)	0.32	0.43	0.12
Gearing (times)	0.34	0.4	0.69
Total Debt / PBDIT (times)	3.0	4.3	3.5

Salzer Electronics Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
22/Apr/2008	A-	-	A2+	Stable

Company Background:

Incorporated in 1985, Salzer Electronics Ltd (Salzer) is in the business of manufacturing cam-operated rotary switches, toroidal transformers, cable ducts, isolators, modular switches, relays, and automotive products. It has three units, all in Coimbatore (Tamil Nadu). Larsen & Toubro Ltd (L&T, rated 'CRISIL AAA/FAAA/Stable/CRISIL A1+') markets Salzer's electronics products in India, while Crompton Greaves Ltd (CGL) markets the products abroad. The business of Salzer Cables Ltd (Salzer Cables), a joint venture between L&T and Salzer (49:51 stake ratio) was merged with that of Salzer with effect from April 1, 2008. Salzer Cables commenced operations in January 2008 with manufacture of low-tension (LT) cables and operated its plant in Coimbatore, with an annual manufacturing capacity of 1,200,000 coils. L&T owns 26 per cent of Salzer's equity shares.

Rating Strengths

- Diversified product portfolio, and increased size of operations
- Market leadership with strong brand, and focus on research and development (R&D), in electronic business
- Benefits derived from agreements with L&T and CGL
- Healthy financial risk profile

Rating Weaknesses

- Exposure to risks related to intense competition from players in unorganised sector, and from low-priced imports
- Vulnerability to volatility in raw material prices

Outlook: Stable

CRISIL believes that Salzer will maintain its financial risk profile over the medium term as the company does not have any significant capacity expansion plans over this period. CRISIL also expects Salzer to stabilise its cables business post merger with Salzer Cables. The outlook may be revised to 'Positive' if the company is able to derive operational synergies and benefits from the merger exceeding CRISIL's expectation, or establish a sizeable market share for its new products soon enough. Conversely, the outlook may be revised to 'Negative' in case of a steep decline in the company's operating margin, or if its financial risk profile deteriorates as a result of any large debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Extent of volatility in raw material prices
- Degree of market success of new products
- Slowdown in power and manufacturing sectors

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1706	1175	722
OPBDIT	238	165	114
PAT	83	53	42
Tangible Networth	701	633	434
Total Debt	460	421	273
OPBDIT Margins (%)	13.5	13.8	15.6
Net Profit Margins (%)	4.7	4.5	5.7
Interest cover (times)	3.14	2.71	3.81
NCA / Total Debt (times)	0.25	0.19	0.22
Gearing (times)	0.66	0.66	0.63
Total Debt / PBDIT (times)	1.90	2.46	2.45

SAMKRG Pistons and Rings Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
06/Apr/2010	A-	-	A2+	Stable

Company Background

Incorporated in March 1985 and promoted by its chairman and managing director, Mr. S D M Rao, SAMKRG Pistons and Rings Ltd (SAMKRG) manufactures pistons and rings. The company's main plant is in Hyderabad, but it has two other plants in Srikakulam (Andhra Pradesh). It has a diversified customer base, catering to original equipment manufacturers (OEMs), and the replacement and export markets.

Rating Strengths

- Strong financial risk profile
- Established position in domestic pistons and rings market

Rating Weaknesses

- Susceptibility to fluctuations in raw material prices and foreign exchange rates
- Lack of revenue diversity due to lack of presence in four-wheeler components segment

Outlook: Stable

CRISIL believes that SAMKRG will continue to benefit over the medium term from its comfortable debt protection metrics and promoters' extensive experience in the pistons and rings industry. The outlook may be revised to 'Positive' if the company's operating revenues and profitability improve significantly, or if it increases its presence in the four-wheeler segment. Conversely, the outlook may be revised to 'Negative' if SAMKRG contracts large debt to fund capital expenditure (capex), or if its cash accruals are less than expected.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Maintenance of profitability

Financial Performance

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1,694	1,326	983
OPBDIT	262	209	170
PAT	95	42	133
Tangible Networth	499	440	445
Total Debt	535	446	402

OPBDIT Margins (%)	15.4	15.7	16.8
Net Profit Margins (%)	5.6	3.1	13.2
Interest cover (times)	10.17	9.68	4.99
NCA / Total Debt times)	0.24	0.19	0.21
Gearing (times)	1.07	1.01	0.90
Total Debt / PBDIT (times)	2.11	2.46	2.38

Samsonite South Asia Private Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
16/Mar/2009	A+	-	A1	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Samsonite South Asia Pvt Ltd (SSAPL) and Samtain Sales Pvt Ltd (Samtain), together referred to as the Samsonite group. SSAPL was set up in 1995 as a joint venture between Samsonite Corporation, USA, and Dr. Ramesh Tainwala and family. SSAPL manufactures hard luggage and trades in soft luggage under the Samsonite and American Tourister brands. The company has a hard luggage manufacturing facility at Nashik (Maharashtra). The company caters to the local markets and also exports to entities associated with Samsonite Corporation worldwide. Samtain is one of the franchisees who sell SSAPL's products in exclusive Samsonite shops.

Rating Strengths

- Established market position in Indian and international luggage markets, marked by strong brand
- Sound operating capabilities, supported by low-cost manufacturing base in India and good distribution network
- Healthy financial risk profile

Rating Weaknesses

- Limited operational flexibility in overseas markets
- High dividend payout, leading to decline in net worth

Outlook: Stable

CRISIL believes that the Samsonite group will maintain its established market position over the medium term, supported by its strong brand appeal and entrenched distribution network. The outlook may be revised to 'Positive' if the group registers an improvement in operating margins, while maintaining its revenue growth or there is a sustained decline in dividend payments. Conversely, the outlook may be revised to 'Negative' if there is a substantial decline in its net worth, driven by larger-than-expected dividend payments to its shareholders or the group undertakes a large debt-funded capital expenditure (capex) programme, thereby deteriorating its capital structure.

Key Rating Sensitivity Factors

- Dividend payouts by the group
- Capex and its funding pattern
- Maintenance of market share and operating margins
- Group policies regarding sourcing and transfer pricing

Financial Performance

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	4239	2751	3213
OPBDIT	524	469	663
PAT	252	223	321
Tangible Networth	562	532	599
Total Debt	192	124	306
OPBDIT Margins (%)	12.2	16.9	20
Net Profit Margins (%)	5.9	8.0	10
Interest cover (times)	18.54	12.85	11.47
NCA / Total Debt times)	0.68	0.36	(0.28)
Gearing (times)	0.34	0.23	0.51
Total Debt / PBDIT (times)	0.37	0.26	0.46

San Engineering & Locomotive Company Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
03/Mar/2011	A-	-	A2+	Stable
09/Jun/2009	BBB+	-	A2+	Stable

Company Background:

San Engineering & Locomotive Company Limited (SEL), based in Bengaluru (Karnataka), was set up in 1969 by Mr. M M Suri and Mr. S K Nayar. The company was acquired by Mr. Subhash K Thakker in 1981, and is now managed by his son, Mr. Milind S Thakker. SEL manufactures locomotives for shunting operations in the infrastructure and heavy-engineering industries. In its engineering products division, it manufactures gears and gear boxes which have industrial applications.

Rating Strengths

- Dominant position in shunting locomotives industry and healthy operating margin
- Healthy financial risk profile

Rating Weaknesses

- Working-capital-intensive operations
- Exposure to volatility in raw material prices and cyclicality in end user industries

Outlook: Stable

CRISIL believes that SEL will continue to benefit over the medium term from its dominant position in the shunting locomotives industry and its above-average operating margin. Moreover, the company's financial risk profile is expected to remain healthy over the medium term, driven by steady cash accruals. The outlook may be revised to 'Positive' if SEL increases its sales and profitability on a sustained basis, while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' if the company's revenues or operating margins decline, or if SEL undertakes a large, debt-funded capital expenditure (capex) programme, thereby adversely impacting its financial risk profile.

Key Rating Sensitivity Factors

- Significant debt-funded capex
- Unfavourable movement in raw material costs, affecting margins
- Impact of global slowdown on revenue and margin
- Exposure to associate companies, resulting in weakening of financial risk profile

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	726	544	479
OPBDIT	142	87	81
PAT	75	34	12
Tangible Networth	287	223	102
Total Debt	52	64	155

OPBDIT Margins (%)	19.5	15.8	16.7
Net Profit Margins (%)	10.3	6.2	2.5
Interest cover (times)	8.94	3.39	2.24
NCA / Total Debt times)	1.52	0.62	0.14
Gearing (times)	0.18	0.29	1.52
Total Debt / PBDIT (times)	0.36	0.7	2.15

Sarat Chatterjee & Co (Visakhapatnam) Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
30/Jul/2009	A+	-	A1	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Bothra Shipping Services (BSS), Sarat Chatterjee & Co (Visakhapatnam) Pvt Ltd (SCCPL), NC Enterprises (NCE), and Jaldhi Overseas Pvt Ltd (JOPL), together referred to as the Bothra group.

SCCPL is part of the Bothra group, which was established in 1976 by Mr. R C Bothra. The group acquired SCCPL in 1978. The company manages port operations such as stevedoring, cargo handling, and other allied services in several ports in India, including Visakhapatnam, Mangalore, and Kakinada. The group's ship chartering activity, which was undertaken by SCCPL, is now entirely undertaken by JOPL. SCCPL has equity stake in two private berth terminals at the Visakhapatnam port.

BSS offers similar services as SCCPL, while JOPL undertakes chartering operations, and NCE is into leasing of various port handling equipment. Presently, the Bothra group is led by Mr. R C Bothra's sons, Mr. V C Bothra and Mr. A C Bothra.

Rating Strengths

- Healthy financial risk profile
- Comfortable market position backed by experience of promoters in shipping industry
- Strong and diversified customer base

Rating Weaknesses

- Vulnerability to economic downturns
- Vulnerability of margins to competitive pressures

Outlook: Stable

CRISIL believes that the Bothra group's financial risk profile will remain strong over the medium term, supported by its healthy cash accruals and conservative capital structure. The outlook may be revised to 'Positive' if the group is able to increase the proportion of its port operations in its revenue profile, resulting in an improvement in its operating profitability, while maintaining its current financial risk profile. Conversely, the outlook may be revised to 'Negative' in case the Bothra group's debt protection metrics deteriorate, either because of a decline in its operating margin, or if it undertakes a large, debt-funded capital expenditure (capex) programme.

Key Rating Sensitivity Factors

- Improvement in operating margins
- Size and funding mix of capex

Financial Performance (Standalone)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1290	1957	4821
OPBDIT	114	121	177
PAT	47	43	73
Tangible Networth	467	420	377
Total Debt	173	122	171
OPBDIT Margins (%)	8.8	6.2	3.7
Net Profit Margins (%)	3.6	2.2	1.5
Interest cover (times)	9.33	11.04	10.95
NCA / Total Debt (times)	0.61	0.79	0.76
Gearing (times)	0.37	0.29	0.45
Total Debt / PBDIT (times)	1.25	0.93	0.94

Sattva Builders Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
19/May/2011	A	-	A1	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the financial and business risk profiles of 35 entities, including Sattva Builders Private Ltd, together referred to as the Salarpuria-Sattva group.

The group was founded by the late Mr. G. D. Salarpuria in 1986 in Kolkata. Currently, the group is being managed by Mr. Bijay Agarwal, who is the managing director. The group has been involved in construction and development of real estate for the past 25 years. Salarpuria Properties Pvt Ltd and Sattva Developers Pvt Ltd are the two flagship companies of the group, with 33 other group entities actively engaged in the real estate business. The group has an ISO 9001:2000 certification. Till date, the group has completed 71 real estate projects (mainly commercial) in Bengaluru. The group is shifting its focus to residential real estate sector from being a predominantly commercial real estate player. It has also entered in Kolkata, Hyderabad, Mysore, Pune, and Visakhapatnam markets, by acquiring some parcel of land which it plans to develop over medium term.

Rating Strengths

- Healthy financial risk profile marked by comfortable capital structure and high financial flexibility because of large portfolio of leased assets
- Strong brand name, and good track record, in Bengaluru real estate market

Rating Weaknesses

- Revenue concentration in information technology (IT) and IT-enabled services (ITeS) sectors
- Risks and cyclicality inherent in real estate sector

Outlook: Stable

CRISIL believes that the Salarpuria-Sattva group will maintain its strong market position in the Bengaluru real estate market, given its established track record. The outlook may be revised to 'Positive' in case of a significant increase in the group's revenues and geographic diversification, leading to improvement in its business risk profile. Conversely, the outlook may be revised to 'Negative' if the saleability of the group's projects is below expectation, resulting in weakening in its financial risk profile, or if the group makes sizeable investments in unrelated businesses.

Key Rating Sensitivity Factors

- Significant increase in debt funding of projects
- Investments in unrelated businesses
- Successful completion of projects

Financial Performance

Rupees Billion	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1.04	3.27	0.57
OPBDIT	2.12	2.93	1.62
PAT	1.03	1.57	0.67
Tangible Networth	13.17	12.14	10.33
Total Debt	4.47	4.89	7.14
OPBDIT Margins (%)	70.0	56.9	70.0
Net Profit Margins (%)	34.1	30.5	28.8
Interest cover (times)	4.3	4.9	2.4
NCA / Total Debt (times)	0.32	0.43	0.12
Gearing (times)	0.34	0.4	0.69
Total Debt / PBDIT (times)	3.0	4.3	3.5

Sattva Developers Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
04/May/2011	A	-	-	Stable
01/Dec/2009	BBB+	-	-	Positive

Company Background:

For arriving at its ratings, CRISIL has combined the financial and business risk profiles of 35 entities, including Satva Developers Pvt Ltd (Sattva Developers) together referred to as the Salarpuria-Sattva group.

The group was founded by the late Mr. G. D. Salarpuria in 1986 in Kolkata. Currently, the group is being managed by Mr. Bijay Agarwal, who is the managing director. The group has been involved in construction and development of real estate for the past 25 years. Salarpuria Properties Pvt Ltd and Sattva Developers are the two flagship companies of the group, with 33 other group entities actively engaged in the real estate business. The group has an ISO 9001:2000 certification. Till date, the group has completed 71 real estate projects (mainly commercial) in Bengaluru. The group is shifting its focus to residential real estate sector from being a predominantly commercial real estate player. It has also entered in Kolkatta, Hyderabad, Mysore, Pune, and Visakhapatnam markets, by acquiring some parcel of land which it plans to develop over medium term.

Rating Strengths

- Healthy financial risk profile marked by comfortable capital structure and high financial flexibility because of large portfolio of leased assets
- Strong brand name, and good track record, in Bengaluru real estate market

Rating Weakness

- Revenue concentration in information technology (IT) and IT-enabled services (ITeS) sectors
- Risks and cyclicality inherent in real estate sector

Outlook: Stable

CRISIL believes that the Salarpuria-Sattva group will maintain its strong market position in the Bengaluru real estate market, given its established track record. The outlook may be revised to 'Positive' in case of a significant increase in the group's revenues and geographic diversification, leading to improvement in its business risk profile. Conversely, the outlook may be revised to 'Negative' if the saleability of the group's projects is below expectation, resulting in weakening in its financial risk profile, or if the group makes sizeable investments in unrelated businesses.

Key Rating Sensitivity Factors

- Significant increase in debt funding of projects
- Investments in unrelated businesses
- Successful completion of projects

Financial Performance

Rupees Billion	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1.04	3.27	0.57
OPBDIT	2.12	2.93	1.62
PAT	1.03	1.57	0.67
Tangible Networth	13.17	12.14	10.33
Total Debt	4.47	4.89	7.14
OPBDIT Margins (%)	70.0	56.9	70.0
Net Profit Margins (%)	34.1	30.5	28.8
Interest cover (times)	4.3	4.9	2.4
NCA / Total Debt (times)	0.32	0.43	0.12
Gearing (times)	0.34	0.4	0.69
Total Debt / PBDIT (times)	3.0	4.3	3.5

Savita Polymers Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
10/Nov/2010	A+	-	A1+	Stable
13/Mar/2009	A	-	A1	Stable

Company Background:

Savita Polymers Ltd (SPL) was set up in 1989 as a division of SOTL to manufacture cable-filling compounds, crude-flow improvers, and micro-crystalline waxes. The division was divested from Savita Oil Technologies Ltd (SOTL, rated 'CRISIL AA/Stable/CRISIL A1+') in 1992. For the past five years, SPL has been manufacturing speciality oils such as transformer and white oil; revenue from speciality oils constitute about 70 per cent of the company's total sales. SPL has its manufacturing facilities at Mahad in Raigad (Maharashtra) and at Silvasa (Dadra and Nagar Haveli).

Rating Strengths

- Improved business risk profile, resulting in continued strong financial risk profile
- Benefits arising from strong operational synergy with associate company, SOTL

Rating Weaknesses

- Modest scale of operations
- Vulnerability to extreme volatility in foreign exchange rates and prices of key raw material, base oil

Outlook: Stable

CRISIL believes that SPL will continue to benefit from its established relationships with its customers and generate steady revenues. The outlook may be revised to 'Positive' if the company manages to substantially increase its scale of operations and operating margin. Conversely, the outlook may be revised to 'Negative' if the company undertakes a large, debt-funded capital expenditure (capex) programme, or if its profitability declines considerably, resulting in weakening of its debt protection metrics and liquidity.

Key Rating Sensitivity Factors

- Volatility in crude oil prices
- CRISIL's assessment of credit risk profile of, and extent of support from, SOTL
- Large debt-funded capex plan

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	785	567	602
OPBDIT	58	18	1
PAT	48	6	12
Tangible Networth	420	379	376
Total Debt	9	8	29

OPBDIT Margins (%)	7.0	3.2	0.2
Net Profit Margins (%)	5.8	1.0	1.9
Interest cover (times)	2852	2.0	8.0
NCA / Total Debt (times)	5.15	1.05	0.49
Gearing (times)	0.02	0.02	0.08
Total Debt / PBDIT (times)	0.12	0.34	1.63

Savitrimata Realtors Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
04/May/2011	A	-	-	Stable
01/Dec/2009	BBB+	-	-	Positive

Company Background:

For arriving at its ratings, CRISIL has combined the financial and business risk profiles of 35 entities, including Savitrimata Realtors Pvt Ltd, together referred to as the Salarpuria-Sattva group.

The group was founded by the late Mr. G. D. Salarpuria in 1986 in Kolkata. Currently, the group is being managed by Mr. Bijay Agarwal, who is the managing director. The group has been involved in construction and development of real estate for the past 25 years. Salarpuria Properties Pvt Ltd and Sattva Developers Pvt Ltd are the two flagship companies of the group, with 33 other group entities actively engaged in the real estate business. The group has an ISO 9001:2000 certification. Till date, the group has completed 71 real estate projects (mainly commercial) in Bengaluru. The group is shifting its focus to residential real estate sector from being a predominantly commercial real estate player. It has also entered in Kolkata, Hyderabad, Mysore, Pune, and Visakhapatnam markets, by acquiring some parcel of land which it plans to develop over medium term.

Rating Strengths

- Healthy financial risk profile marked by comfortable capital structure and high financial flexibility because of large portfolio of leased assets
- Strong brand name, and good track record, in Bengaluru real estate market

Rating Weaknesses

- Revenue concentration in information technology (IT) and IT-enabled services (ITeS) sectors
- Risks and cyclicality inherent in real estate sector

Outlook: Stable

CRISIL believes that the Salarpuria-Sattva group will maintain its strong market position in the Bengaluru real estate market, given its established track record. The outlook may be revised to ‘Positive’ in case of a significant increase in the group’s revenues and geographic diversification, leading to improvement in its business risk profile. Conversely, the outlook may be revised to ‘Negative’ if the saleability of the group’s projects is below expectation, resulting in weakening in its financial risk profile, or if the group makes sizeable investments in unrelated businesses.

Key Rating Sensitivity Factors

- Significant increase in debt funding of projects
- Investments in unrelated businesses
- Successful completion of projects

Financial Performance

Rupees Billion	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1.04	3.27	0.57
OPBDIT	2.12	2.93	1.62
PAT	1.03	1.57	0.67
Tangible Networth	13.17	12.14	10.33
Total Debt	4.47	4.89	7.14
OPBDIT Margins (%)	70.0	56.9	70.0
Net Profit Margins (%)	34.1	30.5	28.8
Interest cover (times)	4.3	4.9	2.4
NCA / Total Debt (times)	0.32	0.43	0.12
Gearing (times)	0.34	0.4	0.69
Total Debt / PBDIT (times)	3.0	4.3	3.5

SEAMEC Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
18/Sep/2009	A+		A1+	Stable

Company Background:

Incorporated in December 1986, SEAMEC Ltd (SEAMEC, formerly South East Asia Marine Engineering and Construction Ltd) owns and operates four multi-support vessels. It provides support services—marine, construction, and diving services—to offshore oilfields in India and abroad. Coflexip Stena Offshore Mauritius, a wholly owned subsidiary of Technip SA, France (Technip), holds a stake of 75 per cent in SEAMEC.

The company has a wholly owned subsidiary, SEAMEC International FZE (SIF) incorporated in Dubai. SIF proposes to procure a new vessel from Technip at a total cost of around USD 15 million in November 2011; the procurement will be funded entirely through SEAMEC's internal sources.

Rating Strengths

- Established position in Southeast Asia, with strong global clientele
- Strong financial risk profile, supported by healthy net worth, almost debt free balance sheet and ample liquidity

Rating Weaknesses

- High susceptibility to economic cycles
- Heavy dependence on a single sub-segment of offshore oilfield support services for revenues

Outlook:Stable

CRISIL believes that SEAMEC will continue to benefit from its strong capital structure and liquidity, and expects the company's revenues and profitability to increase on the back of improving capacity utilisation level over the medium term. The outlook may be revised to 'Positive' if significant increase in charter rates leads to substantial improvement in SEAMEC's accruals. Conversely, the outlook may be revised to 'Negative' if SEAMEC's operating margin deteriorates significantly on account of decline in charter rates or sub-optimal utilisation of its fleet, if its liquidity cushion is significantly reduced because of aggressive fleet expansion, resulting in deterioration in its financial risk profile, or in case of higher-than-expected dividend payouts.

Key Rating Sensitivity Factors

- Adverse movement in day rates for vessels
- Re-pricing of existing contracts in line with input costs
- Revenue visibility for vessels with short-term contracts

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Dec-08
Net Sales	997	4248	2686
OPBDIT	-499	2238	786
PAT	-668	2039	471
Tangible Networth	4470	5137	3217
Total Debt	-	-	-
OPBDIT Margins (%)	-47.8	52.7	25.2
Net Profit Margins (%)	-64.1	48.0	15.1
Interest cover (times)	-	-	9.54
NCA / Total Debt (times)	-	-	-
Gearing (times)	-	-	-
Total Debt / PBDIT (times)	-	-	-

Second Vivekananda Bridge Tollway Company Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-(SO)			Stable
Rating History				
28/Mar/2011	A-(SO)	-	-	Stable
22/Mar/2010	BBB-(SO)	-	-	Negative
10/Dec/2008	BBB-(SO)	-	-	Stable

Company Background:

Second Vivekananda Bridge Tollway Company Private Limited (SVBTCL) is a special purpose vehicle set up for implementing the 6.1-kilometre (km), six-lane Second Vivekananda Bridge (SVB) tollway across the Hoogly river in Kolkata (West Bengal). The company is promoted by Pacific Alliance-Stradec Group Infrastructure Company LLC (PASGIC LLC – owns 99.999 per cent stake), the lead sponsor comprising various investment entities and L&T-Infrastructure Development Projects Ltd (LTIDPL; owns 0.001 per cent stake), a subsidiary of Larsen & Toubro Ltd (L&T, rated 'CRISIL AAA/FAAA/Stable/CRISIL A1+), as the local partner. LTIDPL owned 33 per cent stake in SVBTCL and sold the same to PASGIC in 2010.

SVB is the largest build-operate-transfer (BOT) tollway bridge project constructed in India until date. SVB is about 50 metres downstream from the existing Vivekananda Bridge (Bally Bridge). The main structure across the Hoogly river is an 880-metre-long and 29-metre-wide pre-cast segmental extradosed bridge. Approaching the main structure on both sides are six-lane viaducts connected to approach ramps and access roads on embankments on either side. The bridge is being managed on a BOT basis with National Highways Authority of India (NHAI) as the concessioning authority. The construction was completed in June 2007 in a record time of 39 months and the bridge was opened to the public in July 2007. The concession period is 30 years (up to 2033).

Rating Strengths

- Strategic location of the bridge
- Improvement in capital structure and liquidity post equity infusion by promoters and refinancing of term loan
- Support derived from escrow account and Debt Service Reserve Account (DSRA)

Rating Weakness

- Susceptibility to traffic risk and slow growth in tolling income

Outlook: Stable

CRISIL believes that SVBTCL's debt servicing ability will be supported by the company's escrow mechanism and healthy debt service coverage ratio (DSCR). The outlook may be revised to 'Positive' if there is a sustained increase in traffic volumes, leading to improvement in the company's DSCR. Conversely, the outlook may be revised to 'Negative' if lower-than-expected toll collections lead to deterioration in the company's debt protection metrics.

Key Rating Sensitivity Factors

- Growth in tolling income
- Timing and quantum of funds infused by promoters

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	547	485	309
OPBDIT	460	367	241
PAT	-152	-233	-269
Tangible Networth	2,305	2,443	2,594
Total Debt	3,728	3,929	4,009
OPBDIT Margins (%)	84	75.7	78
Net Profit Margins (%)	-27.8	-48.2	-87.1
Interest cover (times)	1.26	1.05	0.77
NCA / Total Debt times)	0.03	0	-0.02
Gearing (times)	1.62	1.61	1.55
Total Debt / PBDIT (times)	7.7	9.82	15.06

Selan Exploration Technology Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
02/Aug/2011	A	-	A1	Stable
27/Feb/2009	A	-	-	Stable

Company Background:

Gurgaon-based Selan Exploration Technology Ltd (Selan), incorporated in 1985 by the late Mr. R N Kapur, was initially set up as an oil consultancy firm. From 1991, the company started undertaking consulting assignments and seismic data acquisition work for Oil and Natural Gas Corporation Ltd (ONGC, rated 'CRISIL AAA/Stable/CRISIL A1+') in the Cauvery Basin in South India. In 1994-95, Selan entered into the oil exploration and development business and was awarded three oil fields in Gujarat: Bakrol, Indrora, and Lohar. In 1997, it was awarded two more fields, Ognaj oil field and Karjisan gas field, both in Gujarat. In 2010-11, the company produced 185,559 barrels of crude oil from its oil fields.

Rating Strengths

- Comfortable financial risk profile despite substantial capital expenditure (capex) planned over the next financial year
- Established presence in oil exploration and development industry

Rating Weakness

- Small scale of operations, with vulnerability of operating margins to fluctuations in global crude oil prices

Outlook:Stable

CRISIL expects Selan to sustain its credit risk profile over the medium term, backed by healthy cash accruals which will be more than sufficient to meet its debt repayment obligations. However, the company's business continues to be vulnerable to fluctuations in global crude oil prices. The outlook may be revised to 'Positive' in case the company achieves higher-than-expected revenue growth and profitability, resulting in higher cash accruals, while maintaining a conservative capital structure. Conversely, the outlook may be revised to 'Negative' in case the company undertakes higher-than-expected debt-funded capex, and/or its operating margins decline due to a steep fall in crude oil prices, resulting in a weak financial risk profile and poor debt coverage indicators.

Key Rating Sensitivity Factors

- Extent of volatility in crude oil prices
- Success rate in future oil drilling activities
- Future capex plans and their funding mix

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	733	1059	361
OPBDIT	590	810	259
PAT	288	466	128
Tangible Networth	1433	1005	545
Total Debt	148	248	164
OPBDIT Margins (%)	77.5	76.5	71.5
Net Profit Margins (%)	37.8	44.0	35.5
Interest cover (times)	24.65	26.13	15.16
NCA / Total Debt (times)	2.63	2.17	0.95
Gearing (times)	0.10	0.25	0.30
Total Debt / PBDIT (times)	0.25	0.30	0.61

Shakti Bhog Foods Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
07/Jul/2011	A-	-	A2+	Stable
16/Feb/2011	A-	-	-	Stable
08/Apr/2009	BBB	-	-	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Shakti Bhog Foods Ltd (SBFL), Shakti Bhog Snacks Ltd (SBSL), Kumar Food Industries Ltd (KFIL), and Dash Exports Pvt Ltd (DEPL), collectively referred to as the Shakti Bhog group. SBFL, the group's flagship company, was incorporated in 1992. SBFL manufactures agro-based products, such as wheat flour, rice, edible oil, biscuits and dalia, sold primarily under the Shakti Bhog brand. SBFL received private equity investment of Rs.330 million in March 2007.

Incorporated in 1998, SBSL manufactures agro-based products, such as tea, jam, and pickles, sold under the Shakti Bhog brand. The company is a wholly-owned subsidiary of SBFL.

KFIL was promoted by Mr. K K Kumar in 1991 and manufactures besan (gram flour) and pulses, majority of which it sells to SBFL.

DEPL was incorporated in 2004, following the acquisition of the atta (wheat flour) manufacturing facility, including the land and building, of Cargil India Pvt Ltd (Cargil), located at Greater Noida (Uttar Pradesh). These facilities were used by Cargil to manufacture its Nature Fresh brand of atta. DEPL manufactures atta, majority of which it sells to SBFL.

Rating Strengths

- Established brand and extensive distribution network in domestic market
- Improving operating efficiencies and product portfolio

Rating Weaknesses

- High gearing driven by large capital expenditure (capex) and increasing working capital requirements
- Exposure to risks associated with volatility in raw material prices because of large inventory

Outlook: Stable

CRISIL believes that the Shakti Bhog group will maintain its established position in the packaged wheat flour segment, and benefit from its improving operating efficiency and product profile, over the medium term. The outlook may be revised to 'Positive' in case of more-than-expected improvement in the group's financial risk profile, on account of fresh equity infusion or better-than-expected cash accruals. Conversely, the outlook may be revised to 'Negative' in case of more-than-expected deterioration in the group's financial risk profile, most likely because of decline in operating margin or scale of operations.

Key Rating Sensitivity Factors

- Capex plans, and their funding pattern
- Infusion of capital
- Management of working capital requirements
- Improvement in operating margin
- Successful entry into biscuit and edible oil segment

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	27777	20503	15389
OPBDIT	2297	1607	806
PAT	943	703	332
Tangible Networth	3056	2101	1381
Total Debt	8075	4820	2153
OPBDIT Margins (%)	8.3	7.8	5.2
Net Profit Margins (%)	3.4	3.4	2.2
Interest cover (times)	3.19	3.56	3.80
NCA / Total Debt times)	0.12	0.15	0.17
Gearing (times)	2.64	2.29	1.56
Total Debt / PBDIT (times)	3.61	3.04	2.71

Shakti Bhog Snacks Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
16/Feb/2011	A-	-	-	Stable
08/Apr/2009	BBB	-	-	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Shakti Bhog Foods Ltd (SBFL), Shakti Bhog Snacks Ltd (SBSL), Kumar Food Industries Ltd (KFIL), and Dash Exports Pvt Ltd (DEPL), collectively referred to as the Shakti Bhog group. SBFL, the group's flagship company, was incorporated in 1992. SBFL manufactures agro-based products, such as wheat flour, rice, edible oil, biscuits and dalia, sold primarily under the Shakti Bhog brand. SBFL received private equity investment of Rs.330 million in March 2007.

Incorporated in 1998, SBSL manufactures agro-based products, such as tea, jam, and pickles, sold under the Shakti Bhog brand. The company is a wholly-owned subsidiary of SBFL.

KFIL was promoted by Mr. K K Kumar in 1991 and manufactures besan (gram flour) and pulses, majority of which it sells to SBFL.

DEPL was incorporated in 2004, following the acquisition of the atta (wheat flour) manufacturing facility, including the land and building, of Cargil India Pvt Ltd (Cargil), located at Greater Noida (Uttar Pradesh). These facilities were used by Cargil to manufacture its Nature Fresh brand of atta. DEPL manufactures atta, majority of which it sells to SBFL.

Rating Strengths

- Established brand and extensive distribution network in domestic market
- Improving operating efficiencies and product portfolio

Rating Weaknesses

- High gearing driven by large capital expenditure (capex) and increasing working capital requirements
- Exposure to risks associated with volatility in raw material prices because of large inventory

Outlook: Stable

CRISIL believes that the Shakti Bhog group will maintain its established position in the packaged wheat flour segment, and benefit from its improving operating efficiency and product profile, over the medium term. The outlook may be revised to 'Positive' in case of more-than-expected improvement in the group's financial risk profile, on account of fresh equity infusion or better-than-expected cash accruals. Conversely, the outlook may be revised to 'Negative' in case of more-than-expected deterioration in the group's financial risk profile, most likely because of decline in operating margin or scale of operations.

Key Rating Sensitivity Factors

- Capex plans, and their funding pattern
- Infusion of capital
- Management of working capital requirements
- Improvement in operating margin
- Successful entry into biscuit and edible oil segment

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	27777	20503	15389
OPBDIT	2297	1607	806
PAT	943	703	332
Tangible Networth	3056	2101	1381
Total Debt	8075	4820	2153
OPBDIT Margins (%)	8.3	7.8	5.2
Net Profit Margins (%)	3.4	3.4	2.2
Interest cover (times)	3.19	3.56	3.80
NCA / Total Debt times)	0.12	0.15	0.17
Gearing (times)	2.64	2.29	1.56
Total Debt / PBDIT (times)	3.61	3.04	2.71

Shalimar Chemical Works Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
30/ Jun/2009	A	-	-	Stable

Company Background

Shalimar Chemical Works (SCWL), set up in 1945 by the late Mr. Prakritinath Bhattacharjee, began operations with the manufacture of coconut oil. Currently, the second-generation promoters, Mr. Lokenath Bhattacharjee and his brother Mr. Somnath Bhattacharjee, are managing the business and are aided by Mr. Kushal Bhattacharjee, son of Mr. Lokenath Bhattacharjee.

The company diversified into the manufacture of mustard oil in 2001 and processing of spices in 2003. SCWL has manufacturing facilities at Narendrapur (West Bengal) and Hyderabad (Andhra Pradesh). It manufactures coconut oil at the Narendrapur facility, which has a total capacity of 9000 tonnes per annum (tpa), and mustard oil and spices at its Hyderabad facility that capacity of 5000 tpa and 9000 tpa, respectively. About 60 per cent of the company's revenues in 2010-11 was earned from the sale of coconut oil, about 30 per cent from the sale of spices, and the remaining from the sale of mustard oil. Most of the coconut oil sales are concentrated in eastern India while the sale of spices and mustard oil is spread across India.

Rating Strengths

- Established market position and extensive experience of promoters
- Robust financial risk profile marked by healthy capital structure and adequate debt protection measures

Rating Weaknesses

- Low geographical and revenue diversity
- Exposure to volatility in input prices

Outlook: Stable

CRISIL believes that SCWL will continue to benefit over the medium term from its established brand presence and its healthy capital structure. The outlook may be revised to 'Positive' if the company diversifies its revenue base. Conversely, the outlook may be revised to 'Negative' if the company undertakes any large, debt-funded capital expenditure (capex) programme.

Key Rating Sensitivity Factors

- Working capital management
- Unrelated diversification
- Size and funding pattern of capex or acquisition, if any

Financial Performance

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2,379	2,116	1,810
OPBDIT	143	96	93
PAT	84	52	54
Tangible Networth	470	391	343
Total Debt	128	93	80

OPBDIT Margins (%)	6.0	4.5	5.1
Net Profit Margins (%)	3.5	2.4	3.0
Interest cover (times)	10.59	11.00	15.85
NCA / Total Debt times)	0.71	0.63	0.74
Gearing (times)	0.27	0.24	0.23
Total Debt / PBDIT (times)	0.83	0.92	0.81

Sharadha Terry Products Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
05/May/2010	A+	-	A1	Stable

Company Background

Set up in 1992 by Mr. G. Kannappan, Sharadha Terry Products Limited (Sharadha Terry) is a closely held company that manufactures and exports terry towels. The company exports terry towels under its registered brand, MicroCotton, to large retail chains in the US. Sharadha Terry's sales to corporate customers in the hospitality segment are around 10 per cent, and its 100 per cent subsidiary, Microcotton Inc USA, is a distributor for this segment. The company recently launched its brand in the domestic market – Bangalore, Chennai, Hyderabad, and Cochin – and plans to sell its products through its 100 per cent subsidiary, Microcotton India Pvt Ltd.

The promoters of Sharadha Terry also have a stake in Kadri Mills Pvt Ltd, a company manufacturing cotton yarn with a capacity of 28,920 spindles and 23,560 rotors.

Rating Strengths

- Strong market presence with established brand in export market and backward integration
- Healthy financial risk profile

Rating Weaknesses

- Exposure to risks relating to geographic and customer concentration in revenues
- Vulnerability to fluctuation in raw material prices and exchange rates

Outlook: Stable

CRISIL believes that Sharadha Terry will continue to benefit from its favourable position in the terry towels export market, and will maintain its stable financial risk profile on the back of its low debt levels and strong cash accruals. The outlook may be revised to 'Positive' if the company reports improvement in its revenue diversity and substantial growth in its scale of operations along with sustenance in its margins. Conversely, the outlook may be 'Negative' in case Sharadha Terry undertakes any large, debt-funded capital expenditure (capex) programme, leading to deterioration in its financial risk profile, or delays in collection of receivables, or reports significant decline in its revenues or margins, or significant diversification in unrelated ventures.

Key Rating Sensitivity Factors

- Unrelated diversification/investment
- Support to weaker group entities
- Future capex and its funding mix

Financial Performance

Rs. Million	31-Mar-09	31-Mar-08	31-Mar-07
Net Sales	2381	2373	2611
OPBDIT	870	919	1184
PAT	464	545	976
Tangible Networth	3375	2755	2324
Total Debt	1552	1924	1657

OPBDIT Margins (%)	35.8	37.8	44.4
Net Profit Margins (%)	19.1	22.4	36.6
Interest cover (times)	12.47	8.90	19.31
NCA / Total Debt (times)	0.37	0.32	0.61
Gearing (times)	0.46	0.70	0.71
Total Debt / PBDIT (times)	1.81	2.08	1.34

Sharda Motor Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
27/Aug/2010	A	-	A1	Stable
12/Feb/2009	A	-	A1	Negative
29/Nov/2007	A+	-	A1	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Sharda Motor Industries Limited (SMIL) and its wholly owned subsidiary, Sharda Sejong Auto Components (India) Ltd. SMIL, incorporated in 1986, is the flagship company of the Relan group. The Relan family holds 81 per cent stake in the company, which is listed on the Delhi Stock Exchange. SMIL manufactures exhaust systems, independent suspension systems, sheet-metal components, canopies, seat covers and seat frames for passenger cars and utility vehicles (UV). It also supplies sheet-metal components and plastic parts to manufacturers of white goods. The company has eight manufacturing facilities—at Sriperumbudur near Chennai, Nashik (two), Binola, Gurgaon, Greater Noida (two), and Haridwar.

SMIL supplies to almost all leading car and utility vehicle (UV) original equipment manufacturers (OEMs), including Hyundai Motors India Ltd ('CRISIL A1+'), Mahindra & Mahindra Ltd ('CRISIL AA+/Stable/CRISIL A1+'), and Tata Motors Ltd ('CRISIL AA-/Stable/CRISIL A1+'), and tier-1 auto-component suppliers, such as Bharat Seats Ltd, a joint venture between the Relan group and Maruti Suzuki India Ltd ('CRISIL AAA/Stable/CRISIL A1+'). SMIL is also the sole distributor and service provider of high-end car audio/video, and home theatre products for companies, such as Bose, Nakamichi, Marantz, and Mordaunt.

Rating Strengths

- Diverse product and customer profiles with established presence in exhaust systems and independent suspension products
- Healthy operating efficiencies
- Comfortable financial risk profile

Rating Weakness

- Susceptibility of company's operating margin to increase in raw material prices

Outlook: Stable

CRISIL believes that SMIL's sales will continue to grow at a healthy rate and its profitability will remain at the current level over the medium term, supported by the company's strong business relationships and healthy operating capabilities, and steady demand for passenger cars and UVs. The outlook may be revised to 'Positive' if SMIL stabilises operations at its upcoming units on time, thereby generating more-than-expected sales and profits. Conversely, the outlook may be revised to 'Negative' if the company's profitability is lower than expected, or it undertakes larger-than-expected debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Extent of support from and business relationships with OEMs
- Continuation of technical support from Sujong Industrial Co Ltd
- Acceptability of new models launched by OEMs

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	5911	4525	3856
OPBDIT	652	404	429
PAT	268	80	214
Tangible Networth	1165	1010	957
Total Debt	963	917	832

OPBDIT Margins (%)	11.0	8.9	11.1
Net Profit Margins (%)	4.5	1.8	5.5
Interest cover (times)	9.40	3.26	10.4
NCA / Total Debt (times)	0.43	0.21	0.35
Gearing (times)	0.83	0.91	0.87
Total Debt / PBDIT (times)	1.81	2.27	1.63

Sheela Foam Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Positive
Rating History				
24/Nov/2011	A-		A2+	Positive
07/Oct/2009	A-		A2+	Stable
15/Dec/2008	BBB+		A2	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Sheela Foam Private Ltd (SFPL) and its wholly owned subsidiaries, Joyce Foam, Serta India Pvt Ltd, Auora Foams Pvt Ltd, and Kanpav Overseas Pvt Ltd, and SFPL's joint ventures (JVs): Sheela Woodbridge Urethanes Pvt Ltd (Sheela Woodbridge; JV with Woodbridge Foam Corporation of Canada) and another with SNB Bedding International Pvt Ltd (SNB Bedding). Serta India Pvt Ltd, Auora Foams Pvt Ltd, and Kanpav Overseas Pvt Ltd. All the entities are collectively referred to as the SFPL group.

The SFPL group, promoted by Mrs. Sheela Gautam, commenced commercial production of PU foam in 1972 at its factory in Sahibabad (Uttar Pradesh). It has eight polyurethane (PU) foam manufacturing units across India. The group sells foam and coir mattresses under the Sleepwell brand, and industrial application mattresses under the Feather Foam brand. Joyce Foam, acquired in 2005, is the second-largest player in the PU foam business in Australia; it sells to furniture manufacturers, automobile seat manufacturers, and the bedding industry, and manufactures polyester foam, reticulated foam, and viscoelastic and memory foam. Sheela Woodbridge commenced production in 2009, and manufactures foam for automobiles. In 2008-09, the SFPL group formed another JV with SNB Bedding. At present, the Gautam family, led by Mrs. Sheela Gautam, holds 100 per cent stake in SFPL.

Rating Strengths

- Market leader in Indian PU foam segment
- Healthy operating efficiencies
- Above-average financial risk profile

Rating Weaknesses

- Exposure to risks relating to intense competition and volatility in input prices
- Vulnerability to sluggish demand in Australian operations

Outlook: Positive

CRISIL believes that the SFPL group's business risk profile will improve over the medium term driven by its improving market position and increasing diversification of its product profile. The group's financial risk profile is also expected to improve, supported by increased operating cash flows and a consequent reduction in the overall debt levels. The ratings may be upgraded if the SFPL group registers better-than-expected revenue growth and operating profitability, resulting in an earlier-than-expected improvement in its capital structure. Conversely, the outlook may be revised to 'Stable' in case the group undertakes a large, debt-funded capital expenditure (capex) programme or acquisition, or if the pace of improvement in its capital structure is slower than CRISIL's expectation.

Key Rating Sensitivity Factors

- Performance of Joyce Foam and extent of support to it from SFPL
- Degree of volatility in raw material prices
- Large debt funded capex
- Any production disruption due to fire accidents

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	9566	7961	6494
OPBDIT	628	519	554
PAT	230	185	210
Tangible Networth	1235	973*	1,225
Total Debt	2117	1096	756

The decrease in net worth is on account of adjustment for circular investment made by SFPL in Serta India to purchase the stake of the Patel Family, which held 24.38 per cent stake in SFPL till 2008-09

OPBDIT Margins (%)	6.5	6.5	8.5
Net Profit Margins (%)	2.4	2.3	3.2
Interest cover (times)	5.43	7.82	4.57
NCA / Total Debt (times)	0.19	0.34	0.46
Gearing (times)	1.71	1.13	0.62
Total Debt / PBDIT (times)	3.10	1.98	1.31

Shree Ganesh Fats Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
17/Aug/2011	A-	-	-	Stable
19/Apr/2010	BBB+	-	-	Stable

Company Background:

For arriving at its rating, CRISIL has combined the business and financial risk profiles of Shree Ganesh Fats Private Limited (SGFPL), Shivalik Steel and Alloys Pvt Ltd (SSA), Shib Charan Dass Oil Extraction Pvt Ltd (SDOE), and Kamala Oleo Pvt Ltd (KO), collectively referred to as the Shree Ganesh group. Set up in 1994, the Shree Ganesh group manufactures distilled fatty acid (DFA) and soap noodles. SGF, which is based in Barotiwala (Himachal Pradesh), has two units: one unit manufactures hard oil (used in the chemicals and speciality chemicals industries) and the other unit manufactures DFA and glycerine. SSA manufactures soap noodles, and has capacity of 150 tonnes per day. SDOE manufactures vegetable refined oils for vanaspati mills. KO started operations recently; it manufactures DFA and soap noodles.

SGFPL, SSAPL and KOPL are located at Baddi in Himachal Pradesh, whereas SDOE's facility is at Ambala in Punjab. The business is being managed by Mr. Madan Lal Garg and his family members.

Rating Strengths

- Above-average financial risk profile
- Healthy operating efficiencies and the strategic location of its facility

Rating Weaknesses

- Working capital intensive nature of operations and exposure to risk related to volatility in input prices
- Intense competition in the soap industry

Outlook: Stable

CRISIL believes that the Shree Ganesh group will continue to benefit from its strong relationships with key customers and its promoters' industry experience. The outlook may be revised to 'Positive' if the group improves its revenues and margins considerably, resulting in an improvement in its financial risk profile. The outlook may be revised to 'Negative' if the group undertakes a large, debt-funded capital expenditure (capex) programme, weakening its capital structure, if its revenues and margin deteriorate significantly, or if its relationships with key customers weaken.

Key Rating Sensitivity Factors

- Large debt-funded capex programme
- Relationship with key customers
- Unfavorable movement in prices of key inputs
- Continuation of family synergies

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1,468	860	970
OPBDIT	66	71	80
PAT	31	42	55
Tangible Networth	238	207	166
Total Debt	88	102	194
OPBDIT Margins (%)	4.4	7.8	8.2
Net Profit Margins (%)	2.0	4.6	5.6
Interest cover (times)	6.59	4.72	5.43
NCA / Total Debt times)	0.51	0.49	0.33
Gearing (times)	0.37	0.49	1.17
Total Debt / PBDIT (times)	1.23	1.45	2.23

Shree Radhalakshmi Cotton Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
29/Nov/2010	A	-	A1	Stable

Company Background:

CRISIL has combined the business and financial risk profiles of Ashwini Traders (Ashwini), Shree Tirupati Cotton Corporation (STCC), Shree Siddhivinayaka Cotton Corporation (SSCC), Sri Balaji & Co (SBC), and Shree Radhalakshmi Cotton Pvt Ltd (SRCPL), collectively referred to as the Radhalaxmi Group. The Radhalaxmi group, promoted by Late Mr. Shivdas Ganatra started its operations in 1981. The group is engaged in trading of cotton. M/s Radhalaxmi Cotton, the flagship entity of the group was initially, a partnership firm of the Ganatra family members.

After the demise of Mr Shivdas Ganatra in 1982, his eldest son Mr Atul Ganatra took over the operations of M/s Radhalaxmi Cotton. It was later on converted into a private limited company, SRCPL in year 1997. Over the years, Mr Atul Ganatra expanded the group's operations by setting up various cotton trading entities, viz. SBC (1994), STCC (1995), Ashwini (1998), and SSCC (1999). Presently, Mr. Atul Ganatra looks after the day-to-day operations of the group, and is actively supported by his wife, Ms. Deepali Ganatra, and brother, Mr. Nitin Ganatra. The Radhalaxmi group has its corporate office in Mumbai (Maharashtra).

Rating Strengths

- Industry experience of promoters, and adequate risk management policies
- Healthy financial risk profile

Rating Weakness

- Vulnerability to changes in crop pattern, intense competition and changes in the regulatory framework

Outlook: Stable

CRISIL believes that the Radhalaxmi group will continue to benefit over the medium term from its steady accruals and prudent risk management policies. The outlook may be revised to 'Positive' if the group's revenues and margins grow substantially, and its debt protection metrics improve. Conversely, the outlook may be revised to 'Negative' if the group's debt protection metrics weaken because of lower-than-expected growth in revenues and margin, or large, debt-funded capital expenditure, or significant deterioration in working capital cycle.

Key Rating Sensitivity Factors

- Impact of government policies

Financial Performance (Standalone)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	654	413	766
OPBDIT	18	12	21
PAT	15	10	9
Tangible Networth	83	68	58
Total Debt	44	41	27
OPBDIT Margins (%)	2.7	2.8	2.7
Net Profit Margins (%)	2.2	2.4	1.2
Interest cover (times)	25.55	6.52	16.83
NCA / Total Debt (times)	0.37	0.28	0.41
Gearing (times)	0.54	0.61	0.46
Total Debt / PBDIT (times)	1.84	2.12	1.64

Shree Siddhivinayaka Cotton Corporation

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
29/Nov/2010	A	-	A1	Stable

Company Background:

CRISIL has combined the business and financial risk profiles of Ashwini Traders (Ashwini), Shree Tirupati Cotton Corporation (STCC), Shree Siddhivinayaka Cotton Corporation (SSCC), Sri Balaji & Co (SBC), and Shree Radhalakshmi Cotton Pvt Ltd (SRCPL), collectively referred to as the Radhalaxmi Group.

The Radhalaxmi group, promoted by Late Mr. Shivdas Ganatra started its operations in 1981. The group is engaged in trading of cotton. M/s Radhalaxmi Cotton, the flagship entity of the group was initially, a partnership firm of the Ganatra family members. M/s Radhalaxmi Cotton was converted into a private limited company, SRCPL in 1997.

Over the years, Mr Atul Ganatra (son of Mr. Shivdas Ganatra) expanded the group's operations by setting up various cotton trading entities, viz. SBC (1994), STCC (1995), Ashwini (1998), SSCC (1999).

Rating Strengths

- Industry experience of promoters, and adequate risk management policies
- Healthy financial risk profile

Rating Weakness

- Vulnerability to changes in crop pattern, intense competition and changes in the regulatory framework

Outlook: Stable

CRISIL believes that the Radhalaxmi group will continue to benefit over the medium term from its steady accruals and prudent risk management policies. The outlook may be revised to 'Positive' if the group's revenues and margins grow substantially, and its debt protection metrics improve. Conversely, the outlook may be revised to 'Negative' if the group's debt protection metrics weaken because of lower-than-expected growth in revenues and margin, or large, debt-funded capital expenditure, or significant deterioration in working capital cycle.

Key Rating Sensitivity Factors

- Impact of government policies

Financial Performance (Standalone)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3,442	658	1,748
OPBDIT	119	22	37
PAT	92	41	39
Tangible Networth	204	131	96
Total Debt	131	163	29
OPBDIT Margins (%)	3.4	3.3	2.1
Net Profit Margins (%)	2.6	6.1	2.2
Interest cover (times)	73.48	35.14	31.47
NCA / Total Debt (times)	1.12	0.25	1.35
Gearing (times)	0.64	1.24	0.30
Total Debt / PBDIT (times)	0.88	3.87	0.72

Shree Tirupati Cotton Corporation

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
29/Nov/2010	A	-	A1	Stable

Company Background:

CRISIL has combined the business and financial risk profiles of Ashwini Traders (Ashwini), Shree Tirupati Cotton Corporation (STCC), Shree Siddhivinayaka Cotton Corporation (SSCC), Sri Balaji & Co (SBC), and Shree Radhalakshmi Cotton Pvt Ltd (SRCPL), collectively referred to as the Radhalaxmi Group.

The Radhalaxmi group, promoted by Late Mr. Shivdas Ganatra started its operations in 1981. The group is engaged in trading of cotton. M/s Radhalaxmi Cotton, the flagship entity of the group was initially, a partnership firm of the Ganatra family members. M/s Radhalaxmi Cotton was converted into a private limited company, SRCPL in 1997.

Over the years, Mr Atul Ganatra (son of Mr. Shivdas Ganatra) expanded the group's operations by setting up various cotton trading entities, viz. SBC (1994), STCC (1995), Ashwini (1998), SSCC (1999).

Rating Strengths

- Industry experience of promoters, and adequate risk management policies
- Healthy financial risk profile

Rating Weakness

- Vulnerability to changes in crop pattern, intense competition and changes in the regulatory framework

Outlook: Stable

CRISIL believes that the Radhalaxmi group will continue to benefit over the medium term from its steady accruals and prudent risk management policies. The outlook may be revised to 'Positive' if the group's revenues and margins grow substantially, and its debt protection metrics improve. Conversely, the outlook may be revised to 'Negative' if the group's debt protection metrics weaken because of lower-than-expected growth in revenues and margin, or large, debt-funded capital expenditure, or significant deterioration in working capital cycle.

Key Rating Sensitivity Factors

- Impact of government policies

Financial Performance (Standalone)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1,351	441	979
OPBDIT	30	20	33
PAT	35	25	32
Tangible Networth	123	100	80
Total Debt	51	69	27

OPBDIT Margins (%)	2.2	4.5	3.3
Net Profit Margins (%)	2.6	5.5	3.3
Interest cover (times)	21.57	23.66	14.44
NCA / Total Debt (times)	0.70	0.36	1.20
Gearing (times)	0.41	0.69	0.34
Total Debt / PBDIT (times)	1.37	2.63	0.77

Shri Dharmasthala Manjunatheshwara Education Society

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Stable
Rating History				
14/May/2010	A+	-	-	Stable

Company Background

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Shri Dharmasthala Manjunatheshwara Education Society (SDME Society) and SDME Trust. This is because the society and the trust, together referred to herein as the SDME group, are promoted and managed by the trustees of Shree Kshetra Dharmasthala.

SDME Society, set up in 1985 by Shree Kshetra Dharmasthala, a leading Shaivite shrine in Karnataka, is a renowned educational institution engaged in providing education from primary school to professional courses in medicine, dental surgery, engineering, management and law. The society runs 33 institutions across Dharwad, Udupi, Mysore, Hassan, and Ujire (all in Karnataka), with a total student strength of around 20,000.

SDME Trust, set up in 1966 by Shree Kshetra Dharmasthala, is engaged in providing education and allied activities in Karnataka. One of the major institutions run by the trust is SDM Institute for Management Development in Mysore. Dr. Veerendra Heggade is the president of the society as well as the trust.

Rating Strengths

- Established presence of SDME group and strong financial support from temple
- Healthy financial risk profile

Rating Weakness

- Regulated nature of education sector

Outlook: Stable

CRISIL believes that the SDME group will continue to benefit over the medium term from its established position in the education sector and its strong linkages with Shree Dharmasthala Manjunatha Swamy Temple; moreover, the group is expected to maintain its healthy financial risk profile, backed by healthy corpus fund, low gearing and steady cash accruals. The outlook may be revised to 'Positive' if the SDME group reports a significantly higher-than-expected operating surplus while it maintains its debt protection metrics. Conversely, the outlook may be revised to 'Negative' in case of any significant deterioration in the group's debt protection indicators or any adverse changes in the regulatory framework, significantly impacting the operations of the group.

Key Rating Sensitivity Factors

- Debt protection metrics and operating margins
- Changes in regulatory framework
- Future capital expenditure programme and its funding mix

Financial Performance

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1,001	874	688
OPBDIT	170	290	214
PAT	-9	446	242
Tangible Networth	2,243	2,353	1,907
Total Debt	374	278	270
OPBDIT Margins (%)	15.2	25.7	23.2
Net Profit Margins (%)	-0.8	39.4	26.2
Interest cover (times)	7.59	33.31	27.82
NCA / Total Debt (times)	0.46	2.19	1.56
Gearing (times)	0.17	0.12	0.14
Total Debt / PBDIT (times)	1.89	0.44	0.62

Shyam Metalics & Energy Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
21/Nov/2011	A-	-	A2+	Stable
03/Sep/2010	A-	-	A2+	Positive
13/Jan/2009	BBB+	-	A2	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Shyam Metalics & Energy Ltd (Shyam Metalics) and Shyam Sel & Power Ltd (Shyam SEL), together referred to as the Shyam group.

The Shyam group has a diversified business profile, comprising production and sale of iron and steel, ferro alloys, power, and cement. Shyam SEL was incorporated in 1991 and started commercial production in 1996 with steel melting shops. Over the years, it added rolling mills, ferro alloy furnaces, sponge iron kilns, billet and ingot capacities, and a captive power plant, to ensure operational and business integration. It has manufacturing units in Raniganj, Burdwan, Durgapur, and Howrah (all in West Bengal). In 2002-03, the Shyam group expanded its operations into Orissa and formed Shyam DRI Ltd (SDL). Shyam DRI was renamed Shyam Metalics & Energy Ltd in January 2010 and has diversified operations; it manufactures sponge iron, billets, thermo-mechanically treated (TMT) bars, and ferro alloys, and has a power plant.

Rating Strengths

- Integrated operations and strong operating efficiencies
- Above-average financial risk profile

Rating Weaknesses

- Vulnerability to cyclicality in steel industry
- Working-capital-intensive operations

Outlook: Stable

CRISIL believes that the Shyam group's business risk profile will remain stable over the medium term driven by increasing scale of operations and improving operational integration. The outlook may be revised to 'Positive' if the increased capacity results in significant increase in the group's revenue and cash accruals. Conversely, the outlook may be revised to 'Negative' if a larger than expected debt-funded capital expenditure (capex) adversely affects the group's financial risk profile, or if its profitability is lower than expected over the medium term.

Key Rating Sensitivity Factors

- Substantially debt-funded capex, and its timing and size
- Significant group company exposures

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	10364	8379	9707
OPBDIT	1866	1377	1679
PAT	722	686	643
Tangible Networth	7883	6090	4547
Total Debt	7450	6008	3724

OPBDIT Margins (%)	17.7	16.1	16.0
Net Profit Margins (%)	6.9	8.0	6.5
Interest cover (times)	4.21	9.66	4.08
NCA / Total Debt (times)	0.19	0.20	0.27
Gearing (times)	0.95	0.99	0.82
Total Debt / PBDIT (times)	3.83	4.15	2.18

Shyam Sel & Power Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
21/Nov/2011	A-	-	A2+	Stable
03/Sep/2010	A-	-	A2+	Positive
13/Jan/2009	BBB+	-	A2	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Shyam Metalics & Energy Ltd (Shyam Metalics) and Shyam Sel & Power Ltd (Shyam SEL), together referred to as the Shyam group.

The Shyam group has a diversified business profile, comprising production and sale of iron and steel, ferro alloys, power, and cement. Shyam SEL was incorporated in 1991 and started commercial production in 1996 with steel melting shops. Over the years, it added rolling mills, ferro alloy furnaces, sponge iron kilns, billet and ingot capacities, and a captive power plant, to ensure operational and business integration. It has manufacturing units in Raniganj, Burdwan, Durgapur, and Howrah (all in West Bengal). In 2002-03, the Shyam group expanded its operations into Orissa and formed Shyam DRI Ltd (SDL). Shyam DRI was renamed Shyam Metalics & Energy Ltd in January 2010 and has diversified operations; it manufactures sponge iron, billets, thermo-mechanically treated (TMT) bars, and ferro alloys, and has a power plant.

Rating Strengths

- Integrated operations and strong operating efficiencies
- Above-average financial risk profile

Rating Weaknesses

- Vulnerability to cyclicality in steel industry
- Working-capital-intensive operations

Outlook: Stable

CRISIL believes that the Shyam group's business risk profile will remain stable over the medium term driven by increasing scale of operations and improving operational integration. The outlook may be revised to 'Positive' if the increased capacity results in significant increase in the group's revenue and cash accruals. Conversely, the outlook may be revised to 'Negative' if a larger than expected debt-funded capital expenditure (capex) adversely affects the group's financial risk profile, or if its profitability is lower than expected over the medium term.

Key Rating Sensitivity Factors

- Substantially debt-funded capex, and its timing and size
- Significant group company exposures

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	10364	8379	9707
OPBDIT	1866	1377	1679
PAT	722	686	643
Tangible Networth	7883	6090	4547
Total Debt	7450	6008	3724

OPBDIT Margins (%)	17.7	16.1	17.0
Net Profit Margins (%)	6.9	8.0	6.5
Interest cover (times)	4.21	9.66	4.08
NCA / Total Debt (times)	0.19	0.20	0.27
Gearing (times)	0.95	0.99	0.82
Total Debt / PBDIT (times)	3.83	4.15	2.18

Silvassa Plast

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
17/Aug/2011	A		A1	Stable
05/Aug/2010	A-		A2+	Stable
15/Oct/2009	BBB+		A2+	Positive
20/Jan/2009	BBB+		A2+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of KLJ Plasticizers Ltd (KLJ Plasticizers), KLJ Organic Ltd (KLJ Organic), its subsidiary KLJ Organic (Thailand) Ltd, KLJ Polymers & Chemicals Ltd (KLJ Polymer), KLJ Resources Ltd (KLJ Resources), Silvassa Plast, and KLJ Polyalloys (closed effective April 01, 2011), referred to as the KLJ group.

The KLJ group, founded by Mr. K L Jain in 1967, began operations by manufacturing polyvinyl chloride (PVC) compounds. In 1985, the group integrated backwards into manufacturing plasticizers. The KLJ group is one of the leading manufacturers of plasticizers in South Asia, with capacity expected to go up to 229,000 tonnes per annum (tpa) by 2011-12. It has three different entities that manufacture plasticizers and PVC compounds and one entity that trades in paraffin, base oils, and solvents. The KLJ group derives around 55 per cent of its revenues from the plasticizer business, 25 per cent from its trading business, and around 20 per cent from the compounding business. Set up in 1998 as proprietorship of Mr. K. L. Jain, Silvassa Plast's business is to manufacture various types of plasticizers. The company had an installed capacity of about 26,000 metric tonnes as on March 31, 2011. Silvassa Plast has recently merged with KLJ Plasticizers. The KLJ group is in the process of setting up a 49 joint venture for producing chlorinated paraffin wax and caustic chlorine at Qatar in collaboration with Qatar Industrial Manufacturing Company.

Rating Strengths

- Leadership position in plasticiser business, with good presence in compounding and trading business
- Above-average operating efficiencies, driven by port-based facilities and established relationship with suppliers
- Comfortable financial risk profile

Rating Weaknesses

- Susceptibility of operating margin to fluctuations in raw material prices and foreign exchange (forex) rates
- Working-capital-intensive operations, driven by high inventory and debtor levels

Outlook: Stable

CRISIL believes that the KLJ group will maintain its leadership in the plasticiser business, and its above-average operating efficiencies, over the medium term. The group's financial risk profile is expected to remain healthy during this period, supported by low gearing, strong net worth and comfortable debt protection measures. The outlook may be revised to 'Positive' if the KLJ group reports higher-than-expected cash accruals because of ramp up in revenues and profitability while it limits its exposure to real estate ventures. Conversely, the outlook may be revised to 'Negative' if there is more-than-expected pressure on the KLJ group's cash accruals because of volatility in raw material prices and foreign exchange rates, or if the group's capital structure weakens because of more-than-expected cash outflows to the real estate business.

Key Rating Sensitivity Factors

- Larger-than-expected investment in Qatar project
- Extent of support to real estate business
- Ability to sustain profitability margin amidst volatility in raw material prices and forex rates
- Working capital management
- Capital expenditure plans and their funding mix

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	19169	13331	11213
OPBDIT	2116	1539	157
PAT	1368	929	-32
Tangible Networth	3967	2757	1613
Total Debt	3430	2660	2264

OPBDIT Margins (%)	11.0	11.5	1.4
Net Profit Margins (%)	7.1	6.9	-0.3
Interest cover (times)	12.45	8.21	1.46
NCA / Total Debt (times)	0.31	0.33	-0.01
Gearing (times)	0.86	0.96	1.40

Siyaram Silk Mills Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
07/Oct/2011	A	-	A1	Stable
25/Jan/2011	A-	-	A2+	Positive
04/Mar/2010	A-	-	A2+	Stable
02/Jan/2009	BBB+	-	A2+	Stable

Company Background:

Siyaram Silk Mills Ltd (Siyaram) produces and sells polyester viscose shirting and suiting fabrics, home furnishing fabrics, garments, in addition to dyeing yarn. Incorporated in 1978, the company is the largest producer of blended fabrics in India. Its operations are vertically integrated, with in-house facilities for dyeing, weaving, finishing, and garmenting. As on March 31, 2010, Siyaram had 479 looms, 645 stitching machines, and yarn-dyeing capacity of 6000 tonnes per annum. The company mainly targets the middle- and low-income groups in India. Siyaram is planning a capex of Rs.1.5 billion in its fabric and garment division spread over 2010-11 and 2011-12.

Rating Strengths

- Established brand image
- Above-average financial risk profile
- Improving operating efficiencies

Rating Weaknesses

- Vulnerability to volatility in price of key raw material, and to economic cycles
- Exposure to intensifying competition in textile industry

Outlook: Stable

CRISIL believes that Siyaram will continue to benefit over the medium term from its established market position and its brand recognition in the textile market, and its improving product profile, resulting in healthy cash accruals. The outlook may be revised to 'Positive' if the company sustains its operating profitability and significantly improves its capital structure. Conversely, the outlook may be revised to 'Negative' if Siyaram undertakes a large, debt-funded capital expenditure (capex) programme materially impacting its capital structure, or if competitive pressure results in a decline in the company's profitability.

Key Rating Sensitivity Factors

- Debt-funded capex
- Changes in underlying economic conditions
- Strong brand image and distribution network

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	10,051	7,899	6,444
OPBDIT	1,106	746	497
PAT	576	337	114
Tangible Networth	2,194	1,677	1,393
Total Debt	2,666	1,686	2,135
OPBDIT Margins (%)	10.9	9.3	7.6
Net Profit Margins (%)	5.7	4.2	1.8
Interest cover (times)	7.98	6.78	2.78
NCA / Total Debt (times)	0.27	0.28	0.12
Gearing (times)	1.22	1.01	1.53
Total Debt / PBDIT (times)	2.24	2.08	4.04

Skoda Auto India Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Positive
Rating History				
28/Nov/2011	A+	-	-	Positive
03/Aug/2009	A	-	-	Stable

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Volkswagen AG (rated 'A-/Stable/A-2' by Standard & Poor[S&P])'s Indian subsidiaries –Volkswagen India Pvt Ltd (VIPL, rated 'CRISIL A+/Positive/CRISIAL A1'), Volkswagen Group Sales India Pvt Ltd (VGSIPL, rated 'CRISIL A+/Positive/CRISIL A1') and Skoda Auto India Pvt Ltd (SAIPL), together referred to as Volkswagen group India.

Volkswagen AG, headquartered in Wolfsburg, Germany, is the second-largest carmaker in the world and the largest carmaker in Europe. The company manufactures passenger cars, light commercial vehicles (LCVs), and trucks; it also provides financial services, which include dealer and customer financing, direct banking, insurance, leasing, and fleet operation. The company's passenger cars are sold under the Volkswagen, Audi, Lamborghini, Skoda, SEAT, Bentley, and Bugatti brands, and LCVs and trucks under the Scania brand.

Volkswagen AG marked its entry into the Indian markets with the launch of Skoda brands in 1999 through SAIPL. SAIPL, incorporated in December 1999, is a subsidiary of Skoda Auto A.S Czech Republic, which is, in turn, a wholly-owned subsidiary of Volkswagen AG. VIPL and VGSIPL were set up in 2007 through which Volkswagen and Audi brands were launched in the Indian markets. VIPL's manufacturing plant in Pune has a capacity of 110,000 vehicles per annum; it was established at a capex of Rs.39 billion. This plant produces Polo, Vento of the Volkswagen brand and Fabia, Rapid for Skoda brands.

VGSIPL is the sales and marketing arm for Volkswagen and Audi brands. The company also imports Audi's A8, R8, and TT models on a fully-built-unit (FBU) basis, to sell directly to dealers. VGSIPL has around 100 dealers. SAIPL has an assembling facility in Aurangabad (Maharashtra); it assembles Skoda brands (Octavia/Laura, Yeti and Superb); Volkswagen brands (Passat and Jetta); and Audi brands (A4, A6); it has a capacity to produce 41,180 cars per annum. SAIPL sells the Skoda brands and it has around 60 dealers.

Rating Strengths

- Strong business and financial support provided by Volkswagen AG
- Strong operational performance of Volkswagen brands in India

Rating Weaknesses

- Modest financial risk profile
- Exposure to intense competition in the domestic passenger car industry

Outlook: Positive

CRISIL expects Volkswagen group India's financial risk profile to witness improvement over the medium term due to expected financial support from the parent. The ratings may be upgraded if Volkswagen group India receives the financial support from the parent as per CRISIL expectations. On the contrary the outlook may be revised to 'Stable', if the expected financial support does not happen or if there is a change in the parent's credit risk profile.

Key Rating Sensitivity Factors

- Extent, timing and mode of Volkswagen AG's support
- S&P's rating on Volkswagen AG
- Success of cost rationalisation initiatives

Financial Performance (Not Published)

SMC Infrastructures Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
27/July/2010	A-	-	A2+	Stable
02/Feb/2009	BBB+	-	A2+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the financial risk profiles of SMC Infrastructures Pvt. Ltd (SMC Infra) and its subsidiary, Chafal Road Developers Pvt. Ltd (Chafal).

Set up in 1982 by Mr. Arun Sheth, SMC Infra mainly undertakes water supply and irrigation projects for government departments. The company also undertakes road development, and construction of bridges and commercial buildings. Mr. Arun Sheth is the managing director and the other directors are Mr. Suhas Mehta, Mr. Prashant Mahagaonkar and Mr. Aniruddha Sheth.

Rating Strengths

- Established presence in construction business
- Strong financial risk profile, supported by efficient working capital management

Rating Weaknesses

- Vulnerability to volatility in raw material prices
- Exposure to risks related to tender-based revenues, and limited geographical diversification

Outlook: Stable

CRISIL believes that SMC Infra will maintain its business and financial risk profiles over the medium term on the back of its established presence in the construction business, supported by its strong order book. The outlook may be revised to 'Positive' if SMC Infra improves its scale of operations considerably while maintaining its profitability and capital structure, and expands its geographic reach. Conversely, the outlook may be revised to 'Negative' if the company undertakes any large, debt-funded capital expenditure (capex) or if it reports significant decline in margins and orders, in case of any unprecedented stretch in the working capital cycle, leading to increased reliance on debt.

Key Rating Sensitivity Factors

- Working capital management
- Exposure to infrastructure segments besides water supply projects
- Gestation period of projects, and budgetary allocations by government

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	3379	3049	2347
OPBDIT	288	263	165
PAT	175	113	132
Tangible Networth	914	739	626
Total Debt	668	303	260

OPBDIT Margins (%)	8.5	8.6	7.0
Net Profit Margins (%)	5.2	3.7	5.6
Interest cover (times)	4.47	3.73	5.42
NCA / Total Debt (times)	0.30	0.44	0.56
Gearing (times)	0.73	0.41	0.42
Total Debt / PBDIT (times)	1.97	1.13	1.17

Softzone Techpark Ltd (Formerly Salarpuria Softzone)

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
04/May/2011	A	-	-	Stable
01/Dec/2009	BBB+	-	-	Positive

Company Background:

For arriving at its ratings, CRISIL has combined the financial and business risk profiles of 35 entities, including Softzone Techpark Ltd, together referred to as the Salarpuria-Sattva group.

The group was founded by the late Mr. G. D. Salarpuria in 1986 in Kolkata. Currently, the group is being managed by Mr. Bijay Agarwal, who is the managing director. The group has been involved in construction and development of real estate for the past 25 years. Salarpuria Properties Pvt Ltd and Sattva Developers Pvt Ltd are the two flagship companies of the group, with 33 other group entities actively engaged in the real estate business. The group has an ISO 9001:2000 certification. Till date, the group has completed 71 real estate projects (mainly commercial) in Bengaluru. The group is shifting its focus to residential real estate sector from being a predominantly commercial real estate player. It has also entered in Kolkatt, Hyderabad, Mysore, Pune, and Visakhapatnam markets, by acquiring some parcel of land which it plans to develop over medium term.

Rating Strengths

- Healthy financial risk profile marked by comfortable capital structure and high financial flexibility because of large portfolio of leased assets
- Strong brand name, and good track record, in Bengaluru real estate market

Rating Weaknesses

- Revenue concentration in information technology (IT) and IT-enabled services (ITeS) sectors
- Risks and cyclicality inherent in real estate sector

Outlook: Stable

CRISIL believes that the Salarpuria-Sattva group will maintain its strong market position in the Bengaluru real estate market, given its established track record. The outlook may be revised to 'Positive' in case of a significant increase in the group's revenues and geographic diversification, leading to improvement in its business risk profile. Conversely, the outlook may be revised to 'Negative' if the saleability of the group's projects is below expectation, resulting in weakening in its financial risk profile, or if the group makes sizeable investments in unrelated businesses.

Key Rating Sensitivity Factors

- Significant increase in debt funding of projects
- Investments in unrelated businesses
- Successful completion of projects

Financial Performance

Rupees Billion	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1.04	3.27	0.57
OPBDIT	2.12	2.93	1.62
PAT	1.03	1.57	0.67
Tangible Networth	13.17	12.14	10.33
Total Debt	4.47	4.89	7.14
OPBDIT Margins (%)	70.0	56.9	70.0
Net Profit Margins (%)	34.1	30.5	28.8
Interest cover (times)	4.3	4.9	2.4
NCA / Total Debt (times)	0.32	0.43	0.12
Gearing (times)	0.34	0.4	0.69
Total Debt / PBDIT (times)	3.0	4.3	3.5

Sonata Information Technology Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
27/Jan/2010	A-	-	-	Stable

Company Background:

Sonata Information Technology Ltd (SITL) is a wholly owned subsidiary of Sonata Software Ltd (SSL). SITL focuses primarily on the Indian market and has two business units: product marketing group (PMG) and business solutions group (BSG). SITL, through its PMG, is a distributor for a wide range of software products and services, including software licensing, support, installation, and implementation. Through its BSG, the company provides end-to-end business solutions and services for the products that are marketed by its PMG. Almost 98 per cent of SITL's revenue comes from its PMG segment. SITL is one of the large account resellers for Microsoft Corporation (Microsoft), Tier-1 partner for IBM Corporation (IBM), gold partner for SAP, and value-added distributor and system-integration partner for Oracle Corporation (Oracle).

Rating Strengths

- Moderate business risk profile
- High operating efficiency
- Operational and financial support from parent, Sonata Software Ltd (SSL)

Rating Weaknesses

- Low operating margin
- Exposure to customer and vendor concentration risks

Outlook:Stable

CRISIL believes that SITL will maintain its business risk profile over the medium term, supported by its longstanding relationships with vendors and customers. However, the company's financial risk profile is expected to remain under pressure until the refund of its outstanding advance tax. The outlook may be revised to 'Positive' if SITL's net worth increases substantially, most likely because of significant increase in revenues and improvement in profitability, or through fresh infusion of equity. Conversely, the outlook may be revised to 'Negative' if SITL fails to obtain a certificate from the Department of Income Tax for lowering the level of tax deducted at source by its customers in a timely manner, faces significant delays in refund of its outstanding advance tax, or if the company's total outside liabilities increase significantly.

Key Rating Sensitivity Factors

- Certificate from Income Tax Department for deduction of lower tax-deducted-at-source (TDS) by customers
- More-than-expected delay in refund of advance tax outstanding of around Rs.785 million as on March 31, 2011
- Extent of support from parent, SSL
- Unfavourable judgement on contingent liability

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	5989	5039	6,407
OPBDIT	132	126	136
PAT	85	76	88
Tangible Networth	446	352	285
Total Debt	502	384	-
OPBDIT Margins (%)	2.2	2.5	2.1
Net Profit Margins (%)	1.4	1.5	1.4
Interest cover (times)	3.78	11.85	8.38
NCA / Total Debt (times)	0.17	0.21	-
Gearing (times)	1.12	1.09	-
Total Debt / PBDIT (times)	2.94	2.97	-

SP Fabricators Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
09/Dec/2011	A	-	A1	Stable
31/Mar/2009	A+	-	A1	Stable

Company Background:

Set up in 1996 and wholly owned by Shapoorji Pallonji & Company Ltd (SPCL), SP Fabricators Private Limited (SPFPL) designs, fabricates, and installs curtain walls, metal cladding structures, and structural glazing. SPFPL has three fabrication and assembly plants. Its main plant in Mhape, Navi Mumbai, has capacity of 300 square metres (sq mt) of unitised glazing per day and 400 sq mt of grid work for semi-unitised systems, per day. The second plant is in Makali in Bengaluru, and the third is in Chennai.

Rating Strengths

- Strong financial and management support from Shapoorji Pallonji & Company Ltd (SPCL)
- Healthy market position and technical capabilities in façade, claddings, and structural glazing industry

Rating Weaknesses

- Weak financial risk profile
- Exposure to intense industry competition, and cyclicality in commercial real estate segment

Outlook:Stable

CRISIL believes that SPFPL will receive timely financial support from the Shapoorji Pallonji group (SP Group) group over the medium term. Moreover, the company's healthy business risk profile along with the SP group's focus on improving the former's systems and processes is expected to support its financial risk profile over the medium term. The outlook may be revised to 'Negative' if the financial support from the SP group is inadequate or not timely, or if there is deterioration in SPFPL's business prospects or capital structure. Conversely, the outlook may be revised to 'Positive' in case of a sooner-than-expected revival in SPFPL's revenues and cash accruals.

Key Rating Sensitivity Factors

- Timely and adequate financial support from the SP Group
- Further increase in external borrowings
- Management of working capital cycle
- Larger-than-expected losses

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2119	2045	1921
OPBDIT	-430	157	155
PAT	-433	28	50
Tangible Networth	183	321	293
Total Debt	1268	1043	520

OPBDIT Margins (%)	-20.0	7.5	8.0
Net Profit Margins (%)	-20.2	1.3	2.6
Interest cover (times)	-2.87	1.64	2.67
NCA / Total Debt (times)	-0.33	0.04	0.10
Gearing (times)	6.93	3.25	1.77
Total Debt / PBDIT (times)	NP	NP	NP

Speciality Restaurants Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
15/Sep/2011	A-		A2+	Stable
07/Jul/2010	BBB+	-	-	Stable
24/Mar/2009	BBB			Stable

Company Background:

Speciality Restaurants Ltd (Speciality) was incorporated in 1999 by Mr. Anjan Chatterjee, who entered the restaurant business by setting up the restaurant Only Fish in Mumbai (Maharashtra) in 1992, followed by 'Mainland China' (MLC) in Mumbai. Speciality operates one of the largest fine dining restaurant chains in India. Its brands, MLC, Oh! Calcutta, Machaan, Sigree, Haka, Just Biryani, Flame & Grill, Kix, Shack, and KIBBEH offer a variety of cuisines and dining formats. Sweet Bengal is another confectionary brand of Speciality. MLC offers traditional Chinese cuisine, Haka offers Chinese fast-food services in malls, Sigree offers traditional Indian cuisine, and Sweet Bengal offers authentic Bengali sweets. Speciality had 77 food and beverage outlets including confectioneries as on September 30, 2011, with a presence in major cities across the country and one city in Bangladesh. It intends to significantly expand its presence with about 48 outlets planned by the end of 2012-13.

Rating Strengths

- Established position, with strong brands and wide geographical reach
- Above-average financial risk profile

Rating Weaknesses

- Heavy dependence on flagship brand for revenues
- Susceptibility to intense competition in restaurant business

Outlook: Stable

CRISIL believes that Speciality will continue to benefit over the medium term from its strong brand image, its presence across locations, and its diversity in terms of cuisines on offer, supported by favourable demographics in India. The company's financial risk profile is expected remain robust during this period, backed by a strong net worth and conservative gearing policy of the management. The outlook may be revised to 'Positive' if the company successfully ramps up its revenues and profitability at new outlets. Conversely, the outlook may be revised to 'Negative' if Speciality's financial risk profile deteriorates significantly because of larger-than-expected, debt-funded capital expenditure (capex), or if the breakeven at the new outlets takes longer than envisaged, thereby putting unprecedented pressure on cash flows.

Key Rating Sensitivity Factors

- Capex and its funding
- Ramp-up of revenues at new outlets
- Revenue sharing with lessor

Financial Performance

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1,256	1,150	827
OPBDIT	292	205	129
PAT	97	75	50
Tangible Networth	696	562	487
Total Debt	254	244	284

OPBDIT Margins (%)	22.3	17.6	15.5
Net Profit Margins (%)	7.3	6.4	6.0
Interest cover (times)	17.44	10.86	7.88
NCA / Total Debt times)	0.85	0.6	0.31
Gearing (times)	0.37	0.43	0.58
Total Debt / PBDIT (times)	0.92	1.17	2.12

Spectrum Coal and Power Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
16/Sep/2010	A+		A1	Stable
01/Oct/2009	A		A1	Positive
01/Aug/2008	A		A2+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of ACB (India) Ltd (ACBIL) and its subsidiaries, Spectrum Coal and Power Ltd (SCPL), Aryan Ispat and Power Pvt Ltd (AIPPL), Aryan Energy Pvt Ltd (AEPL), Aryan Clean Coal Technologies Pvt Ltd (ACCTPL), and Kartikaye Coal Washeries Pvt Ltd (KCWPL). CRISIL has also combined the business and financial risk profile of group company, Global Coal and Mining Pvt Ltd (GCMPL), as a majority stake in it is owned by ACBIL and its promoters, and, being in same line of business-coal washing, it has business synergies with ACBIL. All these entities are together referred to as the Aryan Coal group.

SCPL, formerly ST-BSES Coal Washeries Ltd, was incorporated in 1996 by Dr. Ravi Mohan Rao. Till 2003, the company was a joint venture between Dr. Rao (60 per cent) through his investment companies, and BSES (40 per cent). In April 2007, Captain R S Sindhu, through his investment companies, mainly Pragati Vanijya Ltd, acquired a controlling stake in SCPL (51 per cent). During March 2009, ACBIL acquired 100 per cent stake in SCPL. SCPL is headquartered in Hyderabad, and owns and operates a coal preparation facility located in the Korba district of Chhattisgarh. SCPL was the first private sector washery operator in India. The unit at Korba has a capacity for processing around 7.5 million tonnes per annum (mtpa) of raw coal. The company commissioned a 7.5-mtpa coal washery at Talcher (Orissa) on a build-own-operate (BOO) basis for Andhra Pradesh Power Generation Corporation Ltd (APGENCO) in 2008-09, and has further enhanced the unit's capacity by 3.5 mtpa. The company is also setting up a 55–mega watt (MW) coal rejects-based power plant which is expected to be commissioned by the end of 2011-12.

Rating Strengths

- Established market position in coal beneficiation sector
- Healthy operating efficiencies
- Support from ACBIL being part of Aryan Coal Group

Rating Weakness

- Large capital expenditure (capex) plans at group and standalone level

Outlook: Stable

CRISIL's ratings on SCPL's bank facilities will continue to be supported by the credit risk profile of the Aryan group. CRISIL believes that the Aryan group will generate healthy cash accruals over the medium term, supported by its established market position in the coal beneficiation sector, strong operating efficiencies, and healthy demand from its end-user segment, the power-generation industry. Also, the commissioning of the group's ongoing 270 MW coal-reject-based power plant project under ACBIL and 50 MW coal-reject-based power plant project under SCPL is expected to further improve its profitability. The outlook may be revised to 'Positive' if the group reports more-than-expected sales and profitability, most likely driven by timely stabilisation of its coal-reject-based power plant, further strengthening its financial risk profile. Conversely, the outlook may be revised to 'Negative' if the Aryan group's financial risk profile deteriorates significantly, most likely because of more-than-expected debt contracted for the projects or lower-than-expected profitability.

Key Rating Sensitivity Factors

- Renewal of existing contracts with clients
- Larger-than-expected capex and its funding

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2286	2346	1051
OPBDIT	1061	1178	400
PAT	516	486	147
Tangible Networth	2343	1827	1341
Total Debt	1460	793	1026
OPBDIT Margins (%)	46.4	50.1	38.0
Net Profit Margins (%)	22.5	20.7	14.0
Interest cover (times)	12.0	9.8	9.5
NCA / Total Debt (times)	0.51	0.92	0.22
Gearing (times)	0.62	0.44	0.76
Total Debt / PBDIT (times)	1.35	0.69	2.72

Sree Narasimha Textiles Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Positive
Rating History				
17/Nov/2010	A+		A1+	Positive
28/May/2008	A+		A1+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of eight entities in the Premier group. The entities are Coimbatore Polytex Private Limited, Premier Mills Private Limited, Sree Narasimha Textiles Pvt Ltd (SNTPL), Premier Spinning and Weaving Mills Pvt Ltd, Prima Products Pvt Ltd, Premier Cotton Textiles, Lakshmi Narasimha Textiles Pvt Ltd, and Premier Fine Linens Pvt Ltd.

The Premier group was set up in 1945 by Mr. V N Ramachandran. Over the years, it has grown into an established textile house in southern India, with presence in the entire textile value chain. For the year ended March 31, 2010, the group revenue amounted to Rs.6.92 billion. The spinning division accounts from nearly 66 per cent of the group's turnover, while made-ups and cloth account for the remainder. Exports accounted for 50 per cent of the total turnover in 2009-10.

Rating Strengths

- Established presence across textile value chain
- Diversified revenue profile, with strong market position and operating efficiency
- Moderate financial risk profile

Rating Weaknesses

- Volatility in raw material prices
- Exposure to fluctuations in value of rupee

Outlook: Positive

CRISIL believes that the Premier group's capital structure and operating efficiency will improve and that the group will maintain its strong liquidity over the medium term. The rating may be upgraded if the group reports strong growth in its revenues while maintaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Stable' if the group contracts more-than-expected debt to fund its capital expenditure or working capital requirements, or there is a steep decline in yarn realisations, adversely affecting its operating margin, or if there is lesser-than-expected business synergy among the group entities.

Key Rating Sensitivity Factors

- Fluctuations in cotton prices and rupee appreciation
- Continuation of family group synergies

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	6925	6218	6438
OPBDIT	1705	1404	1699
PAT	498	192	299
Tangible Networth	5101	4583	4388
Total Debt	7257	8114	8413
OPBDIT Margins (%)	22.8	20.8	24.8
Net Profit Margins (%)	6.7	2.8	4.4
Interest cover (times)	4.41	2.42	3.45
NCA / Total Debt (times)	0.19	0.11	0.12
Gearing (times)	1.42	1.77	1.92
Total Debt / PBDIT (times)	3.64	5.06	4.68

Sri Balaji & Co

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
29/Nov/2010	A		A1	Stable

Company Background:

CRISIL has combined the business and financial risk profiles of Ashwini Traders (Ashwini), Shree Tirupati Cotton Corporation (STCC), Shree Siddhivinayaka Cotton Corporation (SSCC), Sri Balaji & Co (SBC), and Shree Radhalakshmi Cotton Pvt Ltd (SRCPL), collectively referred to as the Radhalaxmi Group.

The Radhalaxmi group, promoted by Late Mr. Shivdas Ganatra started its operations in 1981. The group is engaged in trading of cotton. M/s Radhalaxmi Cotton, the flagship entity of the group was initially, a partnership firm of the Ganatra family members. M/s Radhalaxmi Cotton was converted into a private limited company, SRCPL in 1997.

Over the years, Mr Atul Ganatra (son of Mr. Shivdas Ganatra) expanded the group's operations by setting up various cotton trading entities, viz. SBC (1994), STCC (1995), Ashwini (1998), SSCC (1999).

Rating Strengths

- Industry experience of promoters, and adequate risk management policies
- Healthy financial risk profile

Rating Weakness

- Vulnerability to changes in crop pattern, intense competition and changes in the regulatory framework

Outlook:Stable

CRISIL believes that the Radhalaxmi group will continue to benefit over the medium term from its steady accruals and prudent risk management policies. The outlook may be revised to 'Positive' if the group's revenues and margins grow substantially, and its debt protection metrics improve. Conversely, the outlook may be revised to 'Negative' if the group's debt protection metrics weaken because of lower-than-expected growth in revenues and margin, or large, debt-funded capital expenditure, or significant deterioration in working capital cycle.

Key Rating Sensitivity Factor

- Impact of government policies

Financial Performance (Standalone)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	5086	7170	1222
OPBDIT	237	198	46
PAT	67	89	75
Tangible Networth	401	402	321
Total Debt	636	361	185
OPBDIT Margins (%)	4.6	2.8	3.7
Net Profit Margins (%)	1.3	1.2	6.1
Interest cover (times)	12.52	16.00	172.22
NCA / Total Debt (times)	0.24	0.53	0.41
Gearing (times)	1.59	0.90	0.58
Total Debt / PBDIT (times)	2.35	1.42	2.42

Sri Ramadas Motor Transport Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
30/Dec/2009	A-	-	A2+	Stable

Company Background:

Incorporated in 1944 by the late Mr. Sarvasri N S Murty and the late Mr. V Sathi Raju, Sri Ramadas Motor Transport Ltd (SRMTL) is engaged in road transport, manufacture of automobile parts, and sale of commercial vehicles and passenger cars manufactured by Tata Motors Ltd (TML, rated 'CRISIL AA-/Stable/CRISIL A1+'). SRMTL commenced activities as a transport service provider with a small fleet of nine buses and a small workshop. In 1953, the company ventured into the manufacture of automobile components for heavy commercial vehicles; in 1955, SRMTL acquired the dealership of TML's commercial vehicles.

Rating Strengths

- Established position in automobile dealership business
- Strong financial risk profile backed by healthy debt protection measures
- Efficient working capital management

Rating Weaknesses

- Susceptibility of margins to volatility in raw material prices
- Moderate scale of operations and exposure to intense competition in auto components business to customer and vendor concentration risks

Outlook:Stable

CRISIL believes that SRMTL will maintain its business risk profile over the medium term, supported by its established relationships with its principals. The outlook may be revised to 'Positive' if the company increases its scale of operations and cash accruals on a sustained basis while maintaining its capital structure. Conversely, the outlook may be revised to 'Negative' if the company undertakes a larger-than-expected, debt-funded capital expenditure (capex) programme, leading to deterioration in the company's financial risk profile, in case of cost or time overruns in its ongoing project, or if the company's sales decline, leading to steep reduction in the accruals.

Key Rating Sensitivity Factors

- Relationship/contract with TML
- Significant debt-funded capex

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3355	3422	4157
OPBDIT	222	215	181
PAT	96	80	41
Tangible Networth	541	464	400
Total Debt	310	247	432
OPBDIT Margins (%)	6.6	6.2	4.3
Net Profit Margins (%)	2.8	2.3	1.0
Interest cover (times)	9.78	5.20	3.62
NCA / Total Debt (times)	0.41	0.49	0.22
Gearing (times)	0.57	0.53	1.08
Total Debt / PBDIT (times)	1.42	1.12	2.33

SSP (Private) Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
27/ Feb/2009	A-	-	A2+	Stable

Company Background

Set up in 1977 as a partnership firm by Mrs. Rekha Banerjee and her nephew, Mr. Tapas Chatterjee, SSP (Pvt) Ltd (SSP) was reconstituted as a private limited company in 1985. Later, Mrs. Rekha Banerjee's husband, Mr. R P Banerjee, joined SSP and is currently the company's chairman. SSP manufactures machineries, such as evaporators and dryers and executes semi-turnkey projects, such as plants and complete processing lines. It mainly caters to the dairy, food processing, fruit and vegetable processing, and chemicals industries and effluent treatment plants. The company has one manufacturing unit each in Faridabad (Haryana), Nagpur (Maharashtra), Noida (Uttar Pradesh [UP]), and Sitarpur (Uttaranchal) and set up one more unit in Chandpur (UP), which became operational in 2009-10.

Rating Strengths

- Strong financial risk profile
- Promoters' extensive experience in engineering and capital goods industry and strong presence in evaporators and dryers market

Rating Weaknesses

- Susceptibility to economic and industry cycles
- High product concentration and small scale of operations

Outlook: Stable

CRISIL believes that SSP will maintain its strong financial risk profile, over the medium term, because of its healthy operating margin and its capital structure. The outlook may be revised to 'Positive' if the company improves its scale of operations and its product profile. Conversely, the outlook may be revised to 'Negative' if SSP's revenues and profitability come under pressure or if the company contracts more-than-expected debt to fund its capital expenditure (capex).

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Improvement in scale of operations and operating income
- Product diversification and expansion in export markets

Financial Performance

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	727	839	790
OPBDIT	139	257	250
PAT	87	203	192
Tangible Networth	680	607	412
Total Debt	126	89	104
OPBDIT Margins (%)	19.0	30.4	31.6
Net Profit Margins (%)	11.8	24.0	24.2
Interest cover (times)	10.80	17.57	19.42
NCA / Total Debt (times)	0.79	2.38	1.85
Gearing (times)	0.19	0.15	0.25
Total Debt / PBDIT (times)	0.89	0.33	0.41

Star Cement Meghalaya Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
01/Oct/2010	A	-	-	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Cement Manufacturing Company Ltd (CMCL) and its subsidiaries, Star Cement Meghalaya Ltd (SCML), Megha Technical and Engineers Pvt Ltd (MTEPL), and Meghalaya Power Ltd (MPL), together referred to as the CMCL group.

CMCL, a subsidiary of Century Plyboard (I) Ltd (rated 'CRISIL A+/Stable/CRISIL A1), is based in Lumshnong (Meghalaya). It commenced its operations in December 2004. The company has an installed capacity of 792,000 tonnes per annum (tpa) for clinkering and 594,000 tpa for grinding. MTEPL was set up in May 2007 with a grinding capacity of 462,000 tpa, which has been gradually increased to 673,200 tpa. The combined cement manufacturing capacity of the CMCL group is about 1.3 million tonnes per annum (mtpa). SCML is setting up a 1.75-mtpa cement clinker plant in Lumshnong. MPL operates an 8-megawatt (MW) power plant and is setting up another 43-MW power plant in the region.

Rating Strengths

- Established market position and brand image in North East India
- Benefits derived from high demand and fiscal incentives offered to players operating in North East India
- Healthy financial risk profile

Rating Weaknesses

- Vulnerability to cyclicality in cement industry
- Exposure to project implementation risks

Outlook:Stable

CRISIL believes that the CMCL group will maintain its credit profile over the medium term, supported by its strong net cash accruals and established market presence in the North East region. The outlook may be revised to 'Positive' if the group completes its ongoing capex, without cost or further time overruns, and reports strong growth in revenue and margins. Conversely, the outlook may be revised to 'Negative' if the CMCL group undertakes a larger-than-expected debt-funded capital expenditure (capex) programme, faces cost or time overrun in its projects, or derives less-than-expected benefits from operations, leading to a decline in its profitability.

Key Rating Sensitivity Factors

- More-than-expected investment in group concerns
- Extent and funding mix of capex
- Ability to maintain growth and profitability

Financial Performance (Not Published)

ST-CMS Electric Company Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Negative
Rating History				
21/Sep/2011	A+		A1	Negative
10/Dec/2007	AA-		A1+	Stable

Company Background:

ST-CMS owns and operates a 250-megawatt (MW) lignite-based power plant at Neyveli, Tamil Nadu, and is engaged in the generation and sale of power to Tamilnadu Generation and Distribution Corporation Ltd (TANGEDCO), part of Tamil Nadu Electricity Board (TNEB, rated 'CRISIL A-(SO)/Stable'). The plant commenced commercial operations on December 15, 2002. ST-CMS is a 100 per cent subsidiary of Abu Dhabi National Energy Company PJSC (TAQA, rated 'A/Stable' by Standard & Poor's [S&P]), and supplies about 2.5 per cent of the entire power requirement of Tamil Nadu. It faces limited demand risks as its power sales to TANGEDCO are fully dedicated for the long term through a power purchase agreement (PPA) with a take-or-pay clause. ST-CMS enjoys fuel security and supply stability with a long-term fuel supply agreement in place with Neyveli Lignite Corporation Ltd (NLC, rated 'CRISIL AAA/Stable/CRISIL A1+).

Rating Strengths

- Sound operating profile supported by complete recovery of costs owing to take-or-pay nature of PPA
- Healthy net worth and comfortable gearing
- Support from parent, TAQA

Rating Weakness

- Counterparty risk due to weak credit risk profile of TANGEDCO

Outlook: Negative

CRISIL believes ST-CMS's receivable levels will continue to remain high in the near term, despite TNEB's fund raising initiatives to help settle dues owed by TANGEDCO to ST-CMS. The ratings may be further downgraded in case of further sharp build-up in receivables from TANGEDCO accentuating liquidity pressures, delays in arranging alternative funding lines in the event of non-receipt of dues from TANGEDCO in the near term, larger-than-expected debt-funded capital expenditure (capex), or significant deterioration in TAQA's credit risk profile. Conversely, the outlook may be revised to 'Stable' if dues from TANGEDCO considerably reduce, leading to lowering of impact of counterparty risk, and payments due to NLC revert to near normal levels.

Key Rating Sensitivity Factors

- Liquidity position of sole customer, TANGEDCO, and extent of delays in receiving payments
- Any debt-funded capex
- Changes in TAQA's credit rating
- Availability of additional liquidity arrangements

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	6,873	5,595	5,613
OPBDIT	2,375	2,290	2,452
PAT	967	780	850
Tangible Networth	5705	4737	4751
Total Debt	4316	4764	5733

OPBDIT Margins (%)	34.4	40.6	43.5
Net Profit Margins (%)	14.0	13.8	15.1
Interest cover (times)	5.35	4.45	3.65
NCA / Total Debt (times)	0.38	0.14	0.15
Gearing (times)	0.76	1.01	1.21
Total Debt / PBDIT (times)	1.99	2.06	2.31

Sterling Agro Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Positive
Rating History				
06/Jan/2010	A-		A2+	Positive
02/Jul/2008	A-		A2+	Stable

Company Background:

Sterling Agro Industries Ltd (Sterling) was incorporated in 1991 by Mr. Kuldeep Saluja (Managing Director) and Mr. Laxmi Narain Kesarwani (Director – Marketing). The company manufactures various dairy products, such as skimmed milk powder (SMP), pure ghee, full cream milk powder (both regular and instant), dairy whitener, white butter, anhydrous milk fat (AMF), and instant food products, under the NOVA and AVON brands.

The company's units are at Kundli (Haryana), Malanpur (Madhya Pradesh) and Kasganj (Haryana), and total installed capacity is 2.7 million litres per day (lpd). Sterling procures milk directly from farmers and has over 125 milk procurement routes and over 2000 collection points, covering more than 120,000 farmer families.

Rating Strengths

- Established market position in dairy products
- Above-average operating efficiency
- Strong financial risk profile

Rating Weakness

- Exposure to risks related to adverse government regulations and epidemic-related factors

Outlook: Positive

CRISIL believes that Sterling's financial risk profile will improve over the medium term, despite its large capital expenditure (capex) programme and declining sales and profitability in 2010-11, backed by expectations of improvement in sales and profitability and tax benefits from its windmills, leading to strong cash accruals. The rating may be upgraded in case Sterling further improves its operating profitability and gearing. Conversely, the outlook may be revised to 'Stable' if Sterling's capital structure deteriorates, most likely because of large capex borrowings, or its sales and profitability decline.

Key Rating Sensitivity Factors

- Sustenance of healthy growth and operating profitability
- Capex plans, and their funding mix
- Working capital management
- Extent and devolvement of corporate guarantee for vendor financing

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	9607	6927	7027
OPBDIT	672	358	485
PAT	358	136	233
Tangible Networth	1306	956	820
Total Debt	2218	1162	1125

OPBDIT Margins (%)	7.0	5.1	6.9
Net Profit Margins (%)	3.7	1.9	3.3
Interest cover (times)	19.77	5.0	10.0
NCA / Total Debt (times)	0.21	0.20	0.29
Gearing (times)	1.70	1.22	1.37
Total Debt / PBDIT (times)	3.22	3.02	2.23

Sterlite Energy Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A		A1	Rating Watch With Positive Implications
	AA+(SO)		A1+ (SO)	Rating Watch With Developing Implications
Rating History				
25/Feb/2012	A		A1	Rating Watch With Positive Implications
	AA+ (SO)		A1+ (SO)	Rating Watch With Developing Implications
31/May/2011	A/AA+(SO)	-	A1+(SO)/A1	Stable
30/Oct/2010	-	-	A1+(SO/A1	-
10/Oct/2008	-	-	A1+(SO)	-

Company Background:

Sterlite Energy Ltd (SEL), a wholly owned subsidiary of Sterlite Industries (India) Ltd (Sterlite, rated 'CRISIL AA+/CRISIL A1+ (Rating Watch with Developing Implications'), along with its wholly owned subsidiary, Talwandi Sabo Power Limited (Talwandi Sabo), is building a coal-based power plant of 2400 megawatts (MW) and 2640 MW capacities in Jharsuguda (Orissa) and Talwandi Sabo (Punjab), respectively. The first two units of 600 MW each at Jharsuguda are operational and have started commercial supply of power; the remaining two units are expected to be progressively commissioned by the third and fourth quarters, respectively, of 2011-12. The project cost for the power plant at Jharsuguda is estimated at Rs.82 billion, and for the plant at Talwandi Sabo is estimated at Rs.118.2 billion.

CRISIL recently placed its long-term ratings on the debt instruments and bank facilities of Sterlite, Sesa Goa Ltd (Sesa Goa), and on the debt instruments and bank facilities of Vedanta group entities, which are guaranteed by Sterlite, on 'Rating Watch with Developing Implications'. The rating action follows the recent announcement of a recommended merger of Sterlite with Sesa Goa, and the proposed consolidation and simplification of the Vedanta group structure. The long-term rating on Madras Aluminium Company Ltd (MALCO) and ratings on Vedanta Aluminium Ltd (VAL) and SEL—all part of the Vedanta group—were placed on 'Rating Watch with Positive Implications' on account of expected positive bias in their ratings as a result of the proposed consolidation.

Rating Strengths

- Unconditional and irrevocable guarantee provided by Sterlite (for facilities guaranteed by Sterlite).
- Strategic importance to, and support from Sterlite
- Expected healthy operating efficiency to result in low cost of power generation

Rating Weaknesses

- Significant exposure to project implementation risks and subsequent power off take
- SEL's moderate financial risk profile

Key Rating Sensitivity Factors

- Fulfilment of obligations referred to under the unconditional and irrevocable guarantee from Sterlite
- Credit rating of Sterlite
- Adherence to payment structure and role of trustee and issuing and paying agent (IPA), which is critical to ensure performance of the credit enhancement mechanism
- Extent of support from Sterlite
- Movement in per unit power realisation
- Time and cost overruns in execution of projects, and scale and funding of projects
- Variance in cost of production

Financial Performance (Not Published)

Sterlite Technologies Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
27/Dec/2011	A+		A1	Stable
06/Sep/2010	AA-		A1+	Stable
06/Jan/2010	A+		A1+	Stable
05/Jul/2009	A-		A1	Positive
27/Feb/2008	A-		A1	Stable

Company Background

To arrive at its ratings, CRISIL has combined the business and financial risk profiles of Sterlite Technologies Ltd (STL) and its subsidiary, Sterlite Display Technologies Ltd (SDTPL, formerly Sterlite Infrastructure Pvt Ltd). CRISIL has also proportionately consolidated STL's joint venture (JV) entity, Jiangsu Sterlite & Tongguang Optical Fibers Co Ltd (JSTOFCL), in which STL holds a 75 per cent stake. STL's subsidiaries in the transmission business, East North Interconnection Company Ltd (ENICL; rated 'CRISIL BBB+/Stable'), Jabalpur Transmission Company Ltd (JTCL), and Bhopal Dhule Transmission Company Ltd (BDTCL), are moderately integrated.

STL is a leading manufacturer of OFs, OF cables (OFCs) and power transmission conductors (PTCs). STL diversified into the power transmission business through its wholly owned subsidiary, ENICL, and added two more projects in its portfolio (JTCL and BDTCL). STL had formed a wholly owned subsidiary, SIL, to manufacture 8 million fibre kilometres (mfkm) of OFs to avail of tax benefits and cater to the export markets, which has been amalgamated with STL in the current financial year. STL recently formed a JV, JSTOFCL, with a Chinese company, Jiangsu Tongguang Communication Co Ltd; STL holds a 75 per cent equity stake in the JV, while the rest is held by the JV partner. This JV entity is setting up a manufacturing facility for 4 mfkm of OFCs in China, and is expected to become operational by end of 2011-12.

Rating Strengths

- Leadership position in the telecom cable and PTC segments
- Strong operating capabilities
- Healthy growth prospects for the end-user industries

Rating Weaknesses

- Average financial risk profile,
- Working-capital-intensive operations
- Exposure to risks associated with implementation of the transmission projects

Outlook: Stable

CRISIL believes that STL will maintain its healthy business risk profile over the medium term, supported by its leadership position in its key product segments. The outlook may be revised to 'Positive' if there is a significantly higher-than-expected improvement in STL's operating performance and financial risk profile. Conversely, the outlook may be revised to 'Negative' if there is further deterioration in STL's operating performance in the near term, or if the company undertakes any large, debt-funded capital expenditure (capex) programme, or if there is significant increase in investments in the transmission projects, as compared to current estimates, thereby resulting in deterioration in STL's financial risk profile.

Key Rating Sensitivity Factors

- New projects in power transmission business, their size and funding mix
- Large debt funded capex
- Revenue growth and profitability
- Crystallisation of contingent liabilities

Financial Performance (Consolidated)

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	23987	22893	16839
OPBDIT	3811	2368	2060
PAT	2459	906	1007
Tangible Networth	9067	6207	5395
Total Debt	3587	4966	6630
OPBDIT Margins (%)	15.7	10.3	12.2
Net Profit Margins (%)	10.1	4.0	6.0
Interest cover (times)	10.30	2.65	4.52
NCA / Total Debt (times)	0.76	0.24	0.20
Gearing (times)	0.40	0.80	1.23
Total Debt / PBDIT (times)	0.91	2.07	3.10

Sulabh International Social Service Organisation

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Stable
Rating History				
04/Mar/2011	A+	-	-	Stable

Company Background:

Sulabh International Social Service Organisation (SISSO), a non-profit society, was set up in 1970. SISSO adopted various sanitation-related technologies created by, and innovations of, Dr. Bindeshwar Pathak, which have been recognised by World Health Organisation, United Nations Development Programme, World Bank, and other international bodies, in addition to the government of India (GoI) and other Indian state governments.

SISSO provides sanitation facilities; it constructs toilets using indigenously developed technologies as mentioned above and provides various social services, such as education and training to the underprivileged. SISSO has built more than 1.2 million individual toilets and more than 7500 public toilet complexes, which it also maintains and around 190 bio-gas generation plants are attached. It is present in every state in India and has around 500 branch offices. The society has also constructed five community toilet complexes in Kabul, Afghanistan.

Rating Strengths

- Leadership position in providing sanitation facilities
- Healthy financial risk profile

Rating Weakness

- Operating income growth dependent on government policies

Outlook: Stable

CRISIL believes that SISSO will maintain its strong business risk profile, supported by its market leadership in the sanitation segment and its established brand image. The society's operating income is expected to increase over the medium term, supported by its experienced management and the focus of the GoI on improving sanitation conditions in India. The outlook may be revised to 'Positive' if there is more-than-expected increase in SISSO's operating income and cash accruals, leading to improvement in its working capital management. Conversely, the outlook may be revised to 'Negative' if there is pressure on SISSO's operating income or operating profitability, because of slowdown in inflow of orders, adverse government policies, or if the society's financial risk profile weakens because of larger-than-expected debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Working capital management
- Sustenance of order book position and execution
- Level of operating margin
- Capex plans and their funding mix

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2261	2401	1785
OPBDIT	69	129	100
PAT	30	96	72
Tangible Networth	1128	1098	1002
Total Debt	202	100	99

OPBDIT Margins (%)	3.0	5.4	5.6
Net Profit Margins (%)	1.3	4.0	4.0
Interest cover (times)	4.19	8.08	6.08
NCA / Total Debt (times)	0.26	1.13	0.85
Gearing (times)	0.18	0.09	0.10
Total Debt / PBDIT (times)	2.94	0.77	0.99

Sulphur Mills Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
27/Jun/2008	A+		A1+	Stable

Company Background:

Incorporated in 1960, Sulphur Mills Ltd (SML) commenced operations in the early 1970s with a West German technology-based sulphur processing plant in Navi Mumbai. The company manufactures agrochemicals – formulations of fungicides, insecticides, herbicides, and plant growth regulators. In 2007-08, SML diversified its operations into fertilisers with the launch of Fertis, a sulphur-based fertiliser in water-dispersible granule form. The company has a total installed capacity of 8750 tonnes per annum (tpa). SML is managed by Mr. Deepak Shah and Mr. Suketu Doshi.

Rating Strengths

- Strong financial risk profile
- Sound operating efficiencies, resulting in comfortable presence in niche sulphur-based agrochemical segment
- Successful diversification in sulphur-based fertiliser market

Rating Weakness

- Working capital-intensive operations

Outlook:Stable

CRISIL believes that SML will continue to benefit over the medium term from its established position in the niche sulphur-based agrochemical and pesticide segment, and its healthy operating efficiencies. The company's financial risk profile is also expected to remain healthy during this period, backed by the management's conservative financial policy and the absence of any debt-funded capital expenditure (capex) plan. The outlook may be revised to 'Positive' if SML reports substantial and sustained improvement in its working capital management. Conversely, the outlook may be revised to 'Negative' if there is a steep decline in SML's profitability margins from the current levels or there is a significant deterioration in the company's capital structure because of larger-than-expected working capital requirements.

Key Rating Sensitivity Factors

- Sustenance of profitability margins amid volatile raw material prices
- Working capital management

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2050	2021	1540
OPBDIT	257	317	329
PAT	184	254	310
Tangible Networth	1272	1136	983
Total Debt	85	102	12
OPBDIT Margins (%)	12.4	15.5	21.1
Net Profit Margins (%)	8.9	12.4	19.8
Interest cover (times)	25.16	40.10	95.81
NCA / Total Debt (times)	1.95	2.22	22.73
Gearing (times)	0.07	0.09	0.01
Total Debt / PBDIT (times)	0.27	0.28	0.03

Sundaram Clayton Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
18/Feb/2010	A+		A1	Stable
02/Apr/2009	A+		A1	Negative
16/Dec/2008	A+^		A1+^	Stable

^initial bank loan ratings assigned

Company Background:

Chennai-based Sundaram Clayton Ltd (SCL) is a leading manufacturer of aluminium die-casting components (ADCCs) for automotive applications. It holds controlling stakes in several companies, including TVS Motor Company Ltd (TVS Motor), managed by Mr. Venu Srinivasan of the TVS group. The company has its main die-casting component production facility at Padi in Chennai, Belagondapalli in Hosur, and Mahendra City in Chennai.

Rating Strengths

- Extensive customer base, spread across automobile sub-segments and geographies
- Improving operating efficiencies
- Adequate financial risk profile

Rating Weaknesses

- Profitability remains sensitive to volume off-take from customers
- High exposure to cyclical commercial vehicle (CV) segment

Outlook: Stable

CRISIL believes that SCL will maintain its credit risk profile over the medium term, as the offtake by original equipment manufacturers is expected to remain healthy. A significant improvement in the company's gearing and debt protection metrics, because of better-than-anticipated revenues and profitability, also benefiting cash accruals, could result in the outlook being revised to 'Positive'. Conversely, the outlook may be revised to 'Negative' in the event of sluggish revenue growth and profitability, or larger-than-expected debt-funded capital expenditure (capex), leading to steeper-than-expected moderation in the company's gearing and key debt protection metrics.

Key Rating Sensitivity Factors

- Significant debt-funded capex
- Effective utilisation of new capacities
- Steep decline in operating profitability
- Exposure to group companies

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	4927	4924	4269
OPBDIT	559	523	680
PAT	116	37	255
Tangible Networth	2443	2313	2390
Total Debt	2887	3393	2674

OPBDIT Margins (%)	10.7	10.0	15.0
Net Profit Margins (%)	2.2	0.7	5.6
Interest cover (times)	3.37	2.43	5.81
NCA / Total Debt (times)	0.15	0.09	0.17
Gearing (times)	1.18	1.47	1.12
Total Debt / PBDIT (times)	4.02	5.49	3.44

Super Sales India Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
01/Jul/2008	A-	-	A2+	Stable

Company Background:

Super Sales India Ltd (SSIL) was set up as Super Sales Agency Ltd in 1981 to function as an agency for selling machinery on behalf of the flagship group company, LMW Ltd. In 1985, SSIL acquired a spinning mill with 28,000 spindles, at Otthakalmandapam in Coimbatore (Tamil Nadu), thereby diversifying into spinning cotton yarn. In 1992, the company set up a spinning mill at Ayyampalayam, Pollachi, with 14,400 spindles. In 2000, it acquired a yarn processing unit with facilities for gassing, mercerising, and dyeing of yarn. Over the past three years, SSIL modernised and expanded its capacity to 78,000 spindles. In 2005-06, SSIL acquired windmills with capacity of 22.85 megawatts (MW), to meet power requirements of its spinning mills. The company also installed a wind energy generator with 1650 kilowatts (KW) capacity in March 2008 and has a total capacity of 27.50 MW.

SSIL has three business divisions – textile, agency, and windmills. The textile division manufactures cotton yarn sold under the Vaamaa brand. The agency division acts as a sales agent for the textile machinery and machine tools manufactured by the group company, Lakshmi Machine Works (LMW) Ltd, in addition to providing installation, commissioning, and after-sales services for the machinery. SSIL is a public listed company, with its promoters holding a 15.20 per cent stake; the remainder is held by the public and other institutions. SSIL commenced operations in its engineering division in July 2010, selling gears to LMW.

Rating Strengths

- Strong financial risk profile
- Stable customer base in textile business
- Expected financial support from LMW group in case of exigencies

Rating Weakness

- Volatility in raw material prices

Outlook: Stable

CRISIL believes that SSIL will maintain its credit risk profile on the back of its strong financial risk profile and strong outlook for the yarn sector. The outlook may be revised to 'Positive' if SSIL reports significant improvement in profitability, enhancing the company's cash accruals. Conversely, the outlook may be revised to 'Negative' if the company's gearing increases on account of larger-than–expected debt-funded capital expenditure (capex), or if the company's profitability declines, thereby resulting in weakening in its debt protection metrics.

Key Rating Sensitivity Factors

- Demand and profitability of textile and agency divisions
- Capex plans, and their funding mix

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1021	782	720
OPBDIT	398	197	297
PAT	181	9	92
Tangible Networth	617	472	465
Total Debt	752	737	913
OPBDIT Margins (%)	30.7	18.7	30.5
Net Profit Margins (%)	14.0	0.8	9.4
Interest cover (times)	8.99	3.02	5.34
NCA / Total Debt (times)	0.34	0.18	0.20
Gearing (times)	1.22	1.56	1.96
Total Debt / PBDIT (times)	1.83	3.54	2.99

Symed Labs Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
22/Jun/2010	A-		A2+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Symed Labs Ltd (Symed) and its subsidiary, Chemipack (India) Pvt Ltd (Chemipack), together referred to as the Symed group.

Set up in 1998 by Dr. D Mohan Rao and Dr. B Parthasaradi Reddy, Symed manufactures active pharmaceutical ingredients (APIs). Both the promoters are ex-employees of Dr. Reddy's Laboratories Ltd (DRL). Dr. Parthasaradi Reddy is also the promoter of the Hetero group, which is an established player in the Indian pharmaceutical industry.

Symed has a portfolio of over 30 APIs belonging to diverse therapeutic segments. It has three manufacturing units, located in and around Hyderabad. One of these plants is approved by US Food and Drug Administration (USFDA).

Chemipack was set up in 2007-08, and manufactures bulk packaging material catering to the API industry.

Rating Strengths

- Established position in the API manufacturing segment, and healthy operating efficiencies
- Healthy financial risk profile

Rating Weaknesses

- Moderate scale of operations, with working-capital-intensity
- Susceptibility to risks related to its new project for manufacturing formulations

Outlook: Stable

CRISIL believes that Symed will generate healthy cash accruals and maintain adequate gearing level over the medium term. The outlook may be revised to 'Positive' if Symed reports strong revenue growth, prudently manages its working capital requirements, and commences commercial operations at its upcoming formulations facility without any time or cost overrun. Conversely, the outlook may be revised to 'Negative' if there is a sharp decline in its operating profitability, or it undertakes a larger-than-expected debt-funded capital expenditure (capex) programme, thereby weakening its debt protection metrics.

Key Rating Sensitivity Factors

- Discontinuance of business linkages with Hetero Group companies
- Ability to maintain healthy profitability margin
- Timely implementation of project
- Larger than expected debt-funded capex
- Improvement in working capital management

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1272	1066	939
OPBDIT	302	269	235
PAT	199	150	152
Tangible Networth	894	719	592
Total Debt	247	225	182

OPBDIT Margins (%)	23.7	25.2	24.9
Net Profit Margins (%)	15.6	14.0	16.1
Interest cover (times)	10.27	10.64	12.56
NCA / Total Debt (times)	0.86	0.67	0.93
Gearing (times)	0.28	0.31	0.31
Total Debt / PBDIT (times)	0.82	0.87	0.75

Synthite Industries Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Positive
Rating History				
21/Feb/2011	A+		A1+	Positive
16/Oct/2008	A+		A1+	Stable

Company Background:

CRISIL has combined the financial and business risk profiles of Synthite Industries limited (Synthite) and Synthite's subsidiary, Sijmak Oils Ltd (Sijmak), for arriving at its ratings.

Set up in 1972 by Mr. C V Jacob, Synthite began operations as a manufacturer of oleoresins from Indian spices, such as pepper, turmeric, and cardamom. Today, Synthite offers more than 500 products, ranging from spice oleoresins, essential oils, floral concretes/absolutes, seasonings, resinoids (for the perfume industry), health and functional ingredients, and application-oriented, value-added products. Synthite has facilities in Kolenchery, Kakkanchery, Pancode (Kerala), Harihar (Karnataka), Maradur (Tamil Nadu), and Khammam (Andhra Pradesh).

Synthite has also diversified into other business segments, including realty and hospitality. The realty division is engaged in constructing and selling residential complexes through Spice Villas. The firm's hospitality division includes Riviera Suites and the three-star boutique, Ramada Resort, in Cochin.

Rating Strengths

- Largest exporter of spice oils and oleoresins from India, with established brand
- Strong financial risk profile, marked by healthy gearing and strong debt protection measures

Rating Weaknesses

- Susceptibility of operating margin to fluctuations in raw material prices and foreign exchange rates
- Working-capital-intensive operations

Outlook: Positive

CRISIL believes that Synthite will generate large cash accruals, backed by steady growth in revenues and operating margin, over the medium term. The company's financial risk profile, marked by strong liquidity and low gearing, is expected to remain robust because steady increase in revenue with stable operating margins. The rating may be upgraded if Synthite is able to stabilise its operations in China and significantly improve its revenues and market share without deteriorating its financial metrics. Conversely, the outlook may be revised to 'Stable' if Synthite undertakes larger-than-expected, debt-funded capital expenditure (capex) programme, or invests in unrelated ventures.

Key Rating Sensitivity Factors

- Debt-funded capex or acquisitions
- Diversification into unrelated businesses
- Continuation of family synergies
- Fluctuation in raw material prices and foreign exchange rates

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	4028	3708	3164
OPBDIT	656	876	273
PAT	329	341	197
Tangible Networth	3973	3793	3474
Total Debt	456	544	619

OPBDIT Margins (%)	15.8	22.9	8.3
Net Profit Margins (%)	7.9	8.9	6.0
Interest cover (times)	13.26	12.26	8.71
NCA / Total Debt (times)	1.08	0.85	0.45
Gearing (times)	0.11	0.14	0.18
Total Debt / PBDIT (times)	0.63	0.79	1.29

T S Alloys Ltd (formerly Rawmet Ferrous Industries Ltd)

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Stable
Rating History				
17/Jun/2009	A+	-	-	Stable

Company Background:

Set up as a private limited company in 2004, by Switzerland-based IMR Metallurgical Resources AG and Rawmet Commodities Pvt Ltd, Rawmet Ferrous Industries Limited (Rawmet) was acquired by Tata Steel Ltd (Tata Steel) in 2006-07. Rawmet is now a wholly owned subsidiary of Tata Steel and its name was changed to T.S. Alloys Ltd (TS Alloys) recently; the company was reconstituted as a public limited company in 2007-08. TS Alloys undertakes conversion of chrome ore to ferro chrome for its parent. The company has a ferro alloy plant near Cuttack, comprising two 16.5 megavolt ampere (MVA) semi-closed electric arc furnaces that have a combined capacity to produce around 59,400 tonnes of high carbon ferro chrome per annum. Furnace I commenced production in January 2007, and Furnace II in July 2007. The company proposes to increase its ferro chrome capacity and is also setting up a capacity for the production of ferro manganese. This expansion plan is likely to be completed over the next four years.

Rating Strengths

- Support from parent, Tata Steel
- Insulation from fluctuations in prices of raw material and ferro chrome

Rating Weakness

- Average financial risk profile

Outlook:Stable

CRISIL believes that TS Alloys will remain a preferred ferrochrome converter for Tata Steel and continue to enjoy the ongoing support of its parent. The outlook may be revised to 'Positive' if TS Alloys significantly increases its scale of operations, while improving its financial risk profile. Conversely, the outlook may be revised to 'Negative' if TS Alloys undertakes large, debt-funded capital expenditure (capex) programmes, weakening its financial risk profile, or if sub-optimal utilisation of conversion capacity impacts its operating efficiency and consequently, its profits.

Key Rating Sensitivity Factors

- Ongoing support from Tata Steel
- Funding pattern for future capex

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1029	992	833
OPBDIT	203	159	124
PAT	113	46	11
Tangible Networth	556	443	317
Total Debt	263	346	551
OPBDIT Margins (%)	19.8	16.0	14.9
Net Profit Margins (%)	11.0	4.6	1.3
Interest cover (times)	5.59	2.70	1.64
NCA / Total Debt (times)	0.57	0.24	0.08
Gearing (times)	0.47	0.78	1.74
Total Debt / PBDIT (times)	1.25	2.10	4.22

TACO Composites Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
25/May/2011	A	-	A1	Stable
04/Jun/2010	A-	-	A2+	Stable

Company Background:

TACO Composites Ltd (TACO Composites, formerly Automotive Composite Systems International Ltd) was set up in February 2000 as a 74:26 joint venture (JV) between Tata Autocomp Systems Ltd (TACO, rated 'CRISIL AA-/Stable/CRISIL A1+') and Owens Corning Corporation, USA. In February 2010, TACO wholly acquired TACO Composites, and the name was changed to the current one. The company manufactures, designs, and develops sheet-moulded composite parts for the automotive (auto) industry and bulk-moulded composite parts for the electrical industry. TACO Composites derives nearly three-fourths of its revenues from components supplied to the commercial vehicles (CVs) and passenger cars of Tata Motors Ltd (Tata Motors, rated 'CRISIL AA-/Stable/CRISIL A1+') and about 15 per cent from components supplied for tractors manufactured by John Deere India Pvt Ltd (John Deere). TACO Composites has manufacturing units in Pune (Maharashtra) and Uttaranchal.

Rating Strengths

- Support from TACO and business linkages with Tata Motors
- Improving operational performance
- Adequate financial risk profile

Rating Weakness

- Limited segmental diversification of revenues and high customer concentration

Outlook: Stable

CRISIL believes that TACO Composites' expected steady revenue growth and adequate cash generation will help mitigate the adverse impact of its proposed partly debt-funded capex. The outlook may be revised to 'Positive' if TACO Composites' gearing and key debt protection metrics improve to better-than-expected levels, most likely because of more-than-expected revenue growth and profitability. Conversely, the outlook may be revised to 'Negative' in case of a sluggish growth in the company's revenues and profitability, larger-than-expected debt-funded capital expenditure (capex), or high dividend payout leading to deterioration in its key debt protection metrics and gearing. Moreover, the rating remains sensitive to any change in TACO's rating.

Key Rating Sensitivity Factors

- Offtake levels from Tata Motors and other clients
- Pricing pressure by original equipment manufacturers and competition
- Additional debt-funded capex
- Extent of dividend payout

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1254	1012	675
OPBDIT	277	280	-
PAT	160	180	-96
Tangible Networth	244	83	-126
Total Debt	26	199	383
OPBDIT Margins (%)	22.1	27.6	0.1
Net Profit Margins (%)	12.7	17.8	-14.2
Interest cover (times)	17.60	7.76	0.04
NCA / Total Debt (times)	8.17	1.15	(0.08)
Gearing (times)	0.08	1.23	NM
Total Debt / PBDIT (times)	NP	NP	NP

NM: Not Meaningful
NP: Not Published

TACO Hendrickson Suspensions Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
06/Jun/2011	A	-	A1	Stable
25/Feb/2010	BBB+	-	-	Positive
03/Aug/2009	BBB+	-	-	Stable
29/Dec/2008	BBB+	-	-	Negative
05/Aug/2008	A-	-	-	Stable

Company Background:

TACO Hendrickson Suspensions Pvt Ltd (TACO Hendrickson) was incorporated in June 2006 as an equal joint venture (JV) between Tata AutoComp Systems Ltd (TACO, rated 'CRISIL AA-/Stable/CRISIL A1+') and the US-based Hendrickson International. TACO Hendrickson, which began commercial production in October 2007, manufactures lift axles and tandem-boogie suspensions (TBS) for heavy commercial vehicles. Lift axles are auxiliary axles, which can be used in rigid trucks and help enhance their load-carrying capacity. TBS is a six-rod suspension system used in multi-axle vehicles to provide better ride comfort and cross articulation, as compared with conventional leaf-spring systems. Currently, TACO Hendrickson supplies its entire production to Tata Motors Ltd (Tata Motors, rated 'CRISIL AA-/Stable/CRISIL A1+') and efforts are underway to develop relationships with new customers.

Rating Strengths

- Strong business linkages with Tata Motors, and steady support from TACO
- Adequate financial risk profile, supported by ample liquidity

Rating Weakness

- High customer concentration in revenue profile, and exposure to cyclical commercial vehicle (CV) sector

Outlook: Stable

CRISIL believes that TACO Hendrickson will continue to benefit over the medium term from its healthy profitability and liquidity, and its favourable capital structure. The outlook may be revised to 'Positive' in case of significant improvement in TACO Hendrickson's business risk profile, most likely driven by diversification in the company's customer profile. Conversely, the outlook may be revised to 'Negative' if the company undertakes a larger-than-expected, debt-funded capital expenditure (capex) or reports a significantly lower-than-expected operating performance.

Key Rating Sensitivity Factors

- Diversification of customer base
- Operating profitability levels
- Significant debt-funded capex
- Change in credit risk profile of TACO
- Higher-than-expected dividend payouts

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2,729	1,368	429
OPBDIT	689	260	(8)
PAT	457	185	(38)
Tangible Networth	191	137	20
Total Debt	-	14	67
OPBDIT Margins (%)	25.2	19.0	(1.9)
Net Profit Margins (%)	16.7	13.5	(8.9)
Interest cover (times)	NM	36.79	(0.65)
NCA / Total Debt (times)	NM	9.18	(0.33)
Gearing (times)	-	0.10	3.40
Total Debt / PBDIT (times)	-	0.05	NM

TAFE Access Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
14/Jun/2010	A+	-	A1+	Stable

Company Background:

Set up in 1993, TAFE Access Ltd (TAFE Access) is a wholly owned subsidiary of Tractors and Farm Equipment Ltd (TAFE, rated 'CRISIL AA+/FAAA/Stable/CRISIL A1+'). TAFE Access has sole dealerships for Tata Motors Ltd's (Tata Motors; rated 'CRISIL AA-/Stable/CRISIL A1+') and Skoda Auto India Pvt Ltd's (Skoda Auto's; rated 'CRISIL A+/Positive') passenger cars in Coimbatore and Bengaluru, respectively.

The company also manufactures hydraulic pumps for captive consumption by TAFE; a portion of hydraulic pumps are also exported by TAFE. TAFE Access was also earlier engaged in the dealership of vehicles of Hyundai Motor India Ltd (HMIL; rated 'CRISIL A1+') at Chennai, but discontinued this business in 2008-09 due to immense competition from other dealers.

Rating Strengths

- Strong linkages with TAFE and Amalgamations group
- Moderate, but improving, business levels from highly profitable automobile components business
- Moderate financial risk profile

Rating Weakness

- Susceptibility to intense competition in auto dealership

Outlook:Stable

CRISIL believes that TAFE Access's overall credit risk profile will continue to benefit from its strong linkages with its parent, TAFE, and steady growth prospects for its automobile components business. The outlook may be revised to 'Positive' in case the company reports substantially better-than-expected business performance, especially from its manufacturing business. Conversely, the outlook may be revised to 'Negative' in case of a steep decline in TAFE Access's profitability or if the company undertakes any significant debt-funded capital expenditure (capex) programme. TAFE Access's rating is also sensitive to changes in TAFE's credit rating.

Key Rating Sensitivity Factors

- Significant debt-funded capex
- Extent and timing of support from parent in financial exigencies
- Revision in rating of TAFE's debt programmes

Financial Performance (Not Published)

TAL Manufacturing Solutions Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
24/Oct/2011	A+		A1	Stable
24/Aug/2011	A		A1	Positive
29/Nov/2010	A		A1	Stable
10/Jun/2009	BBB+		A2	Stable

Company Background:

TAL Manufacturing Solutions Ltd (TAL), a wholly owned subsidiary of Tata Motors Ltd (TML, 'CRISIL AA-/Stable/CRISIL A1+'), provides a range of products and services for manufacturing solutions through engineering, design, and manufacture and commissioning of machines, equipment, and facilities for TML and many major original equipment manufacturers (OEMs) in India, such as JCB India Ltd, Omax Auto Ltd, TELCON Ltd, Bombardier Transportation India Ltd, Tata Marcopolo Motors Ltd, and for many Tier I and Tier II equipment/component manufacturers. TAL incurred operating losses till 2003-04, as its scale of operations did not support its manpower. Following operational and financial restructuring, the company turned around in 2004-05. TAL's facility for its existing businesses is located in the same premises as that of TML, at Chinchwad.

During 2007-08, TAL ventured into the aerospace business by signing an agreement with The Boeing Company (Boeing; rated 'A/Stable/A1' by Standard & Poor's) for supply of floor beams for the Boeing 787 Dreamliner aircraft. The manufacturing unit is being set up at the special economic zone in Nagpur (Maharashtra), at a cost of about Rs.2 billion.

Rating Strengths

- Strong business and financial support from parent, TML
- Adequate financial risk profile

Rating Weaknesses

- Susceptibility of revenue to capex of end-user industries
- Working-capital-intensive operations and pressure on profitability, constraining return on capital employed (RoCE)

Outlook:Stable

CRISIL believes that TAL will benefit from increased diversification of its customer profile, the expected commencement of supplies to Boeing from July 2012, and low debt levels. Furthermore, Boeing is likely to continue to compensate TAL for the project delay until July 2012. The outlook may be revised to 'Positive' if TAL reports higher-than-expected revenue and profitability, most likely driven by large orders for its existing operations. Conversely, the outlook may be revised to 'Negative' if there is any significant deviation from the current estimates for TAL's project, significant deterioration in its operating performance, or larger-than-expected debt-funded capital expenditure (capex). The ratings may also be revised in the event of any change in the credit risk profile of TML.

Key Rating Sensitivity Factors

- Any deviation from expected funding mix for Boeing project
- Ability to manage pressure on profitability
- Significant debt-funded capex
- Credit risk profile of TML

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	2,134	1,446	1,984
OPBDIT	94	147	148
PAT	147	153	95
Tangible Networth	976	890	750
Total Debt	267	273	159

OPBDIT Margins (%)	4.3	10.1	7.4
Net Profit Margins (%)	6.8	10.5	4.7
Interest cover (times)	4.16	2.94	22.48
NCA / Total Debt (times)	0.51	0.70	0.82
Gearing (times)	0.27	0.31	0.21
Total Debt / PBDIT (times)	1.06	1.00	1.04

Tamil Nadu Electricity Board

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A-(SO)			Stable
Rating History				
11/Dec/2009	A- (SO)	-	-	Stable
20/Feb/2007	A (SO)	-	-	Stable; Removed from Rating Watch with Negative Implications
07/Jul/2006	A+ (SO)	-	-	Placed on Rating Watch with Negative Implications
18/Dec/2005	A+ (SO)	-	-	Stable

Company Background

Tamil Nadu Electricity Board (TNEB), formed in July 1957, was in the business of power generation, transmission, and distribution in the state of Tamil Nadu (TN). With effect from November 1, 2010, TNEB has been unbundled, resulting in the creation of Tamil Nadu Generation and Distribution Corporation Ltd (TANGEDCO) for generation and distribution activities and Tamil Nadu Transmission Corporation Ltd (TANTRANSCO) for transmission activities.

The rating is based on the strength of the guarantee provided by government of TN (GoTN), and a trustee-administered payment mechanism. The rating on the bonds, therefore, reflects the credit risk profile of GoTN.

Rating Strengths

- Benefits derived by GoTN from TN's favourable gross state domestic product (GSDP) composition and superior socio-economic indicators

Rating Weaknesses

- Weak performance of GoTN in power sector, likely to stain financial position
- GoTN's high levels of committed expenditure

Outlook: Stable

CRISIL believes that GoTN will continue to benefit from its favourable GSDP composition, and superior socio-economic indicators. The outlook may be revised to 'Positive' if the state government brings about a significant and sustained improvement in TNEB's financial risk profile without making substantial investments, and exercises greater control over its revenue expenditure. Conversely, the outlook may be revised to 'Negative' if TNEB's losses continue to increase.

Key Rating Sensitivity Factors

- Adherence to credit enhancement mechanism
- Financial Performance of TNEB

Financial Performance (GoTN)

Rs. Billion	31-Mar-10	31-Mar-09	31-Mar-08
Revenue Receipts (RR)	543	530	475
Revenue Expenditure (RE)	593	536	430
Capital Receipts (CR)	182	154	74
Capital Expenditure (CE)	131	141	128
Debt	891	749	647
Guarantees outstanding	54	54	56
Revenue Deficit (RD)	50	6	-45
Primary Deficit (PD)	60	42	-29
Gross Fiscal Deficit (GFD)	129	106	37
RD/RR (%)	9.2	1.1	-9.6
PD/GSDP (%)	1.6	1.2	-0.9
GFD/GSDP (%)	3.4	3.1	1.2
(Debt + Guarantees)/ GSDP (%)	24.9	23.7	23.0
RD/GFD (%)	39.0	5.6	-123.3
(Debt + Guarantees)/ RR (times)	1.7	1.5	1.5
RR/Interest (times)	8.1	8.9	7.8

Tamil Nadu Generation and Distribution Corporation

Date	LT	FD	ST	Outlook
Current Rating				
	A- (SO)			Stable
Rating History				
27/May/2011	A- (SO)	-	-	Stable

Company Background

Tamil Nadu Electricity Board (TNEB), formed in July 1957, was in the business of power generation, transmission, and distribution. With effect from November 1, 2010, TNEB has been unbundled, resulting in the creation of Tamil Nadu Generation and Distribution Corporation (TANGEDCO) for generation and distribution activities and Tamil Nadu Transmission Corporation Ltd for transmission activities.

The rating on the bond issue is based centrally on the credit enhancement facility provided by an unconditional and irrevocable guarantee from the Government of Tamil Nadu (GoTN) and a proposed trustee-administered payment mechanism. The rating on the bonds, therefore, reflects the credit risk profile of GoTN.

Rating Strengths (GoTN)

- Favourable gross state domestic product (GSDP) composition
- Superior socio-economic indicators

Rating Weaknesses (GoTN)

- GoTN's weak performance in the power sector
- Sizeable committed expenditure

Outlook: Stable (GoTN)

CRISIL believes that GoTN will continue to benefit from its favourable GSDP composition, and superior socio-economic indicators. The outlook may be revised to 'Positive' if the state government brings about a significant and sustained improvement in the state's power sector without making substantial investments, and exercises greater control over its revenue expenditure. Conversely, the outlook may be revised to 'Negative' if the unbundling of TNEB does not result in improved power sector efficiencies.

Key Rating Sensitivity Factors (Not Published)

Financial Performance (Not Published)

Tata BP Solar India Ltd

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A+		A1	Stable
Rating History				
3/Jan/2012	A+		A1	Stable
24/Oct/2011	A+		A1	Negative
20/Sep/2010	AA-		A1+	Stable
22/Jun/2010	AA-		A1+	Placed on 'Rating Watch with Negative Implications'
14/Oct/2008	AA		A1	Stable

Company Background:

Established in 1989, Tata BP Solar India Ltd (TBP) is a 51:49 joint venture of BP Plc (BP) and the Tata group. BP owns 51 per cent of Tata BP Solar India Ltd (TBP)'s equity shares through its subsidiary, BP Alternative Energy Holdings Ltd (BPAEHL), and Tata Power Ltd (Tata Power, rated 'CRISIL AA/Positive/CRISIL A1+') owns the remainder. TBP is among India's largest solar applications manufacturers, and a complete solar solutions provider. It supplies PV modules and installs complete systems. It has a solar PV and solar water heater manufacturing unit at Bengaluru (Karnataka). Currently, TBP has an installed capacity of 84 megawatts (MW) for manufacturing solar cells and 125 MW for PV modules. Recently, Tata Power signed a share purchase agreement with BPAEHL to purchase the latter's 51 per cent equity and preference shares in TBP. On completion of this transaction (which is subject to approval by Reserve Bank of India and Competition Commission of India), TBP will become a wholly owned subsidiary of Tata Power.

Tata Power is India's largest integrated private power utility, with an installed generation capacity of 3127 MW as on March 31, 2011. The company is present across the entire power business spectrum, from generation (thermal, hydro, solar, and wind) to transmission and distribution. Its licensee businesses in Mumbai (Maharashtra) and Delhi contribute about half of its consolidated revenues. Tata Power also supplies power to Tata Steel Ltd in Jharkhand, and to Karnataka distribution companies as an independent power producer.

Rating Strengths

- Support from Tata Power
- Moderate financial risk profile

Rating Weaknesses

- Delay in commissioning of cell manufacturing lines, constraining RoCE
- Exposure to the nascent and competitive solar power market in India

Outlook:Stable

CRISIL believes that TBP's overall credit profile will benefit from its parental support, which will help it weather difficult business conditions being experienced in the domestic solar power segment. The rating outlook may be revised to 'negative' in case TBP registers significantly lower-than-expected revenues and profitability, most likely because of decline in module prices, leading to less-than-expected operational cash flows. The rating could also be downgraded in the event of a downward revision in the ratings of Tata Power by CRISIL. Conversely, the outlook may be revised to 'Positive' in case of greater stability in India's solar power market, leading to increased order flow and healthy capacity utilisation levels for TBP.

Key Rating Sensitivity Factors

- Changes in credit risk profile of Tata Power
- Continuance of support from Tata Power
- Streamlining and utilisation of remaining cell manufacturing capacities
- Adverse changes in regulatory environment in key markets

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	9,067	9,787	11,488
OPBDIT	909	794	849
PAT	126	264	606
Tangible Networth	4,071	4,056	3,982
Total Debt	3,904	3,514	4,244
OPBDIT Margins (%)	10.0	8.1	7.4
Net Profit Margins (%)	1.4	2.7	5.3
Interest cover (times)	5.40	8.96	10.42
NCA / Total Debt (times)	0.13	0.09	0.15
Gearing (times)	0.96	0.87	1.07
Total Debt / PBDIT (times)	4.25	5.37	3.62

Tata Sky Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
29/Dec/2010	A		A1	Stable
18/Nov/2008	A-**		A2+**	Stable

***Initial Bank loan rating assigned*

Company Background:

Tata Sky Ltd (Tata Sky, formerly Space TV Ltd) is the second-largest player in terms of number of subscribers, and the largest in terms of revenues, in the domestic direct-to-home (DTH) market. It receives strong operational and financial support from its parent company, Tata Sons Ltd (Tata Sons, rated 'CRISIL AAA/FAAA/Stable/CRISIL A1+'). The strong support will enable the company to pursue its aggressive growth plans in the face of stiff competition, as well as cushion the losses that it is likely to incur in the first five to six years of operations. The company is also expected to receive financial support at regular intervals from other shareholders such as Network Digital Distribution Services FZ LLC (30 per cent direct and indirect holding, belonging to the Star TV group headed by Mr. Rupert Murdoch) and Bay Tree Investments (Mauritius) Pte Ltd (10 per cent, a part of Temasek Holdings Pte Ltd, owned by Singapore's Ministry of Finance).

Rating Strengths

- Managerial and financial support from Tata Sons
- Healthy growth in revenues, driven by expanding subscriber base

Rating Weaknesses

- Competitive landscape, and considerable establishment and operating expenses to hamper profitability
- Weak financial risk profile

Outlook: Stable

CRISIL believes that Tata Sky will continue to invest in expanding its subscriber base over the next three years, and that the company will become profitable at the operating level in 2011-12. Tata Sky's financial risk profile, marked by poor debt protection metrics, is expected to remain extremely weak, given its large accumulated losses. However, Tata Sky will continue to benefit from managerial and financial support from Tata Sons and funding support from other shareholders. The outlook may be revised to 'Positive' if Tata Sky increases its subscriber base and average revenue per user to more-than-expected levels, or achieves break-even earlier than expected. Conversely, the outlook may be revised to 'Negative' if Tata Sky continues to incur losses for a period longer than expected, faces delays in achieving break-even, suffers from adverse regulatory changes, or if Tata Sons is no more the majority shareholder in Tata Sky.

Key Rating Sensitivity Factors

- Extent of ownership by Tata Sons, and financial and managerial support derived from parent
- Revision in Tata Sons' credit rating by CRISIL
- Government regulations for DTH sector
- Continued infusion of equity to fund expected cash losses.

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	13,538	11,108	8,047
OPBDIT	-2,547	-4,501	-9,041
PAT	-4,737	-6,266	-11,519
Tangible Networth	-18,960	-17,539	-14,191
Total Debt	14,146	13,118	9,818
OPBDIT Margins (%)	-1.91	-3.46	-7.90
Net Profit Margins (%)	-1.88	-3.44	-7.89
Interest cover (times)	NM	NM	NM
NCA / Total Debt (times)	NM	NM	NM
Gearing (times)	NM	NM	NM
Total Debt / PBDIT (times)	NM	NM	NM

Tata Teleservices (Maharashtra) Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
05/Mar/2010	A	-	A1	Stable

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Tata Teleservices Limited (TTL) and Tata Teleservices (Maharashtra) Limited (TTML), together refered to as TTL group.

TTL operates in all 22 telecom circles in India. It provides wireless and fixed-line services, and has been providing wireless services based on Code Division Multiple Access (CDMA) technology. Recently, it launched Global System for Mobile Communications (GSM)-based wireless services in 18 circles – under the Tata Docomo brand. As on March 31, 2011, TTL had a wireless subscriber base of 89 million and fixed-line subscriber base of around 1.28 million.

TTML provides wireless and fixed-line services in the circles of Mumbai, Maharashtra, and Goa, while TTL provides GSM services in 18 circles and has a pan-India presence in CDMA. Recently, it was allotted 3G licenses in nine circles – Karnataka, Kerala, Madhya Pradesh, Gujarat, Uttar Pradesh (West), Maharashtra, Haryana, Punjab and Rajasthan. It has successfully launched 3G services in all these circles. TTML has wireless operations on both CDMA (Tata Indicom) and GSM (Tata Docomo) platforms. It focuses on all market segments—commercial, residential, and public telephony. TTML had an all India subscriber market share of around 11 per cent, as on March 31, 2011.

Rating Strengths

- Strategic importance to Tata group's overall telecommunications plans, and consequent support from the group and NTT DoCoMo Inc (DoCoMo, rated 'AA/Stable/A-1+' by Standard & Poor's)

Rating Weaknesses

- Weak market presence, leading to unfavourable cost structure
- Leveraged capital structure and modest debt protection measures because of large debt-funded capital expenditure (capex) and low profitability

Outlook:Stable

CRISIL believes that TTL will continue to receive timely support from the Tata group and technological support from DoCoMo. The outlook may be revised to 'Positive' if TTL reports significantly better-than-expected operational and

Financial Performance, or if its capital structure improves significantly because of larger-than-expected equity infusion. Conversely, the outlook may be revised to 'Negative' in case TTL's capital structure and debt protection metrics deteriorate significantly, or in case of any adverse change in regulations for telecommunication operators.

Key Rating Sensitivity Factors

- Success of new marketing initiatives, translating into improved revenue share
- Phasing and funding of investment requirements
- Impact of regulatory and technological changes

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	22,487	20,685	19,417
OPBDIT	2,198	5,304	6,023
PAT	802	(3,180)	(1,887)
Tangible Networth	(7,202)	(7,660)	(4,308)
Total Debt	46,339	33,625	27,905
OPBDIT Margins (%)	9.6	23.6	29.2
Net Profit Margins (%)	3.5	(14.2)	(9.2)
Interest cover (times)	3.33	1.71	1.8
NCA / Total Debt (times)	0.18	0.07	0.1
Gearing (times)	NM	NM	NM
Total Debt / PBDIT (times)	3.87	5.61	4.60

Tata Teleservices Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
31/Mar/2008	A	-	A1	Stable

Company Background:

For arriving at the ratings, CRISIL has combined the financial risk profiles of Tata Teleservices Ltd (Tata Tele) and its associate company, Tata Teleservices Maharashtra Ltd (TTML), which provides telecommunication services in Maharashtra and Mumbai circles.. CRISIL has also combined the financials of Tata Internet Services Ltd and Viom Networks Ltd (Viom Networks) with those of Tata Tele.

Tata Tele (along with TML), part of the Tata group, operates telecom services in all 22 telecom circles in India. The company provides wireless and fixed-line services. The company has been providing wireless services based on Code Division Multiple Access (CDMA) technology in 22 circles, while it provides Global System for Mobile Communications-based (GSM-based) wireless services in 18 circles – Karnataka, Kerala, Andhra Pradesh, Tamil Nadu, Orissa, Madhya Pradesh, Maharashtra, Mumbai, Haryana, UP East, UP West, Bihar, Punjab, Kolkata, West Bengal, Gujarat, Rajasthan and Himachal Pradesh under the brand Tata Docomo. As on March 31, 2011, Tata Tele, had a wireless subscriber base of 89 million, and fixed-line subscriber base of around 1.28 million.

Tata Tele also derives technological support from NTT DoCoMo Inc (DoCoMo, rated 'AA/Stable/A-1+' by Standard & Poor's) which has a 26 per cent stake in TTSL. DoCoMo is a market leader in cellular phone market in Japan and has strong technological capabilities in rolling out new services using 3G and long term evolution (LTE) technology.

Rating Strengths

- Strategic importance to Tata group's overall telecommunications plans, and consequent support from the group and DoCoMo

Rating Weaknesses

- Weak market presence, leading to unfavourable cost structure
- Leveraged capital structure and modest debt protection measures, because of large debt-funded capital expenditure (capex) and low profitability

Outlook: Stable

CRISIL believes that Tata Tele will continue to receive timely support from the Tata group and technological support from DoCoMo. The outlook may be revised to 'Positive' if Tata Tele reports significantly better-than-expected operational and

Financial Performance, or if its capital structure improves significantly because of larger-than-expected equity infusion. Conversely, the outlook may be revised to 'Negative' in case Tata Tele's capital structure and debt protection metrics deteriorate significantly, or in case of any adverse change in regulations for telecommunication operators.

Key Rating Sensitivity Factors

- Success of new marketing initiatives to improve revenue share
- Phasing and funding of investment requirements
- Impact of regulatory and technological changes

Financial Performance (Standalone)

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	80,610	62,223	55,724
OPBDIT	-8,575	-11,897	-1,081
PAT	-35,081	-13,337	-18,143
Tangible Networth	55,556	77,695	92,094
Total Debt	177,386	123,488	125,278
OPBDIT Margins (%)	-10.5	-18.6	-1.9
Net Profit Margins (%)	-42.8	-20.8	-31.6
Interest cover (times)	-0.6	1.4	0.8
NCA / Total Debt times)	-0.08	0.03	-0.02
Gearing (times)	3.2	1.6	1.4
Total Debt / PBDIT (times)	-28.5	12.2	16.2

Tatanet Services Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
01/Apr/2011	A	-	A1	Stable
12/Nov/2009	-	-	A1	-

Company Background:

For arriving at its ratings, CRISIL has combined the financial risk profiles of Tatanet Services Ltd (TNSL) and its parent, Nelco Ltd (Nelco, rated 'CRISIL A/Stable/CRISIL A1'). Incorporated in 2003, TNSL is a wholly owned subsidiary of Nelco. Nelco's Tatanet division sells very-small-aperture terminal (VSAT) equipment, whereas TNSL offers VSAT connectivity, under the brand name Tatanet.

Nelco, established in 1940, is a subsidiary of The Tata Power Co. Ltd (rated 'CRISIL AA/Positive/CRISIL A1+'). From being a radio and television manufacturing company, Nelco has transformed into an organisation that provides electronic systems, solutions and services for enterprise, infrastructure, and defense. Nelco has two business units: strategic electronics and Tatanet.

Rating Strengths

- Strong financial and business support from its parent, Nelco
- Improving market share and operating margin

Rating Weakness

- Low profitability and small net worth

Outlook: Stable

CRISIL believes that TNSL will maintain its moderate business risk profile backed by healthy VSAT operations. CRISIL also believes that TNSL will remain strategically important to Nelco and receive distress support, if the need arises. Any change in the rating outlook on Nelco will lead to a similar change in the rating outlook on TNSL.

Key Rating Sensitivity Factors

- Change in credit profile of parent
- Change in profitability or capital structure

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	290	252	216
OPBDIT	34	23	22
PAT	5	2	3
Tangible Networth	5	-0.2	
Total Debt	-	-	-

OPBDIT Margins (%)	11.8	9.1	9.9
Net Profit Margins (%)	1.7	0.9	1.6
Interest cover (times)	14.62	-	14.86
NCA / Total Debt times)	-	-	-
Gearing (times)	-	-	-
Total Debt / PBDIT (times)	-	-	-

Tayo Rolls Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-	FA	A2+	Negative
Rating History				
10/Oct/2011	A-	FA	A2+	Negative
7/Oct/2010	A+	FAA-	A1+	Stable
11/Dec/2008	AA-	FAA	A1+	Negative
14/Mar/2006	-	FAA	A1+	Stable

Company Background:

Set up in 1968 by Tata Steel Ltd (Tata Steel) in technical and financial collaboration with Yodogawa Steel Works Ltd (Yodogawa), Japan, to manufacture cast iron and cast steel rolls, Tayo Rolls Ltd (Tayo) is the single-largest roll manufacturer in India, with an overall market share of about 28 per cent by volumes in the cast-roll segment. Tata Steel and Yodogawa hold 54.45 per cent and 14.97 per cent equity stake, respectively, in Tayo. Although the technical collaboration with Yodogawa ended in 1979-80, the Japanese company has retained its stake in Tayo. Tayo's manufacturing facility at Gamharia (Jharkhand) has capacity to produce 13,500 tonnes per annum (tpa) of cast rolls. Tayo is also implementing an integrated forging and a forged-roll manufacturing facility and is diversifying into forging quality ingots and engineering forgings.

Rating Strengths

- Close association with majority owner, TSL and its associates
- Expected growth in revenue driven by healthy order book

Rating Weaknesses

- Weak business risk profile due to working capital shortage and delay in implementation of forged rolls project
- Average financial risk profile
- Vulnerability of operating margin to volatility in raw material prices

Outlook: Negative

CRISIL believes that Tayo's financial risk profile will remain weak because of shortage of working capital funds, leading to poor operating performance over the medium term. The ratings may be downgraded if Tayo's operations do not stabilise and the company continues to face working capital issues, impeding any improvement in profitability. Conversely, the outlook may be revised to 'Stable' if Tayo improves its working capital position and restarts its high-margin roll operations, while keeping rejection levels low.

Key Rating Sensitivity Factors

- Funding support to ease liquidity constrains
- Capacity utilisation at new forging facility
- Ability to ramp up sales volume
- Impact on business volume owing to delays by steel manufacturers in executing expansion plans
- Ability to maintain current market position in light of increasing Chinese imports

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1279	1269	1647
OPBDIT	-162	-34	-121
PAT	-304	-115	-178
Tangible Networth	388	783	887
Total Debt	1686	1233	879
OPBDIT Margins (%)	-12.2	-2.6	-7.2
Net Profit Margins (%)	-23.0	-8.7	-10.6
Interest cover (times)	-1.58	-0.65	-2.16
NCA / Total Debt (times)	-0.15	-0.05	-0.14
Gearing (times)	4.35	1.57	0.99
Total Debt / PBDIT (times)	-11.09	-41.19	-8.09

TD Power Systems Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
03/Apr/2008	A+	-	A1+	Stable

Company Background:

CRISIL has combined the business and financial risk profiles of TD Power Systems Pvt Ltd (TDPS) and its wholly owned subsidiary, DF Power Systems Pvt Ltd (DFPS). The TDPS-DFPS combine is referred to as the TDPS group.

TDPS, based in Bengaluru (Karnataka), manufactures steam, hydro, wind, gas, and diesel generators with capacities of 1 mega watt (MW) to 52 MW; it also provides steam power plant solutions. The company has acquired technology to manufacture generators of up to 30 MW from Toyo Denki (Japan) and has a license to manufacture generators of up to 52 MW from Siemens AG (Germany).

TDPS also undertakes engineering, procurement, and construction activities for setting up power plants with capacity of up to 52 MW. TDPS's subsidiary, DFPS, undertakes setting up of boiler-turbine-generator packages with capacities between 52 MW and 300 MW.

Rating Strengths

- Strong position in domestic market for low-capacity generators
- Strong order book
- Robust financial risk profile

Rating Weakness

- Limited pricing power and fixed price nature of contracts

Outlook: Stable

CRISIL believes that TDPS will maintain its strong financial risk profile on the back of its healthy operating margin and its established market position, over the medium term. The outlook may be revised to 'Positive' if the company sustains its strong growth in revenues, while maintaining its profitability, and improves its net worth by way of fresh equity infusion. Conversely, the outlook may be revised to 'Negative' if TDPS undertakes a significant debt-funded capital expenditure (capex) programme, thereby adversely affecting its capital structure, or reports a decline in its operating margin.

Key Rating Sensitivity Factors

- Maintenance of market position
- Pace of power sector reforms
- Capex and funding mix
- Successful completion of initial public offering

Financial Performance (Consolidated)

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	7897	5061	5330
OPBDIT	794	595	599
PAT	435	372	355
Tangible Networth	1359	951	615
Total Debt	682	287	229

OPBDIT Margins (%)	10.0	11.7	11.2
Net Profit Margins (%)	5.5	7.3	6.7
Interest cover (times)	8.74	9.50	10.71
NCA / Total Debt times)	0.66	1.28	1.60
Gearing (times)	0.50	0.30	0.37
Total Debt / PBDIT (times)	0.81	0.43	0.37

Tea Estates India Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
04/May/2009	A-	-	-	Stable

Company Background:

Incorporated in 1928, Tea Estates India Ltd (TEIL) is an integrated tea player; it cultivates tea, and manufactures black crush-tear-and-curl (CTC) tea. Till 1993, the company was owned by Brooke Bond Lipton India Ltd (BBLIL). With the merger of BBLIL with Hindustan Lever Ltd (HLL; now, Hindustan Unilever Ltd, rated 'AAA/Stable/CRISIL A1+') in March 2006, TEIL became a division of HLL, mainly sourcing tea for the packaging and marketing companies of HLL. It was de-merged from HLL in April 2005, and in March 2006, was acquired by Maxwell Golden Tea Pvt Ltd, which is part of the Woodbriar group. TEIL has six tea estates located in Tamil Nadu with total cultivation area of 2880 hectares.

Rating Strengths

- Healthy financial risk profile, coupled with strong liquidity
- Strong regional presence and extensive experience of promoters in tea plantation business

Rating Weaknesses

- Labour-intensive operations, entailing high fixed costs; exposure to seasonality
- Exposure to volatility in auction prices

Outlook:Stable

CRISIL believes that TEIL will continue to enjoy healthy profitability and strong liquidity over the near term on the back of high auction prices. The outlook may be revised to 'Positive' if TEIL increases its scale of operations while maintaining its financial risk profile. Conversely, the outlook may be revised to 'Negative' in case of deterioration in the company's profitability, most likely on account of increase in wages coinciding with decline in tea auction prices, or if the company undertakes any large debt-funded capital expenditure (capex) programme.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Decline in realisations
- Revision in wages
- Diversification into unrelated businesses
- Extent of support to associate entities

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	792	689	428
OPBDIT	302	236	69
PAT	228	191	21
Tangible Networth	739	510	319
Total Debt	238	216	241

OPBDIT Margins (%)	38.0	33.7	15.7
Net Profit Margins (%)	28.7	27.3	4.9
Interest cover (times)	20.24	11.26	2.57
NCA / Total Debt (times)	1.04	0.98	0.17
Gearing (times)	0.32	0.42	0.75
Total Debt / PBDIT (times)	0.77	0.91	3.47

Technocraft Industries India Ltd.

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
10/Jun/2008	A+	-	A1+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Technocraft Industries India Ltd (Technocraft), and Technocraft's wholly owned subsidiaries Technosoft Information Technologies Ltd, Technocraft Trading, Poland, Technocraft (Hungary) KFT, Technocraft International Ltd, Technocraft Australia PTY Ltd, CAE System GmbH, Impact Engineering Pvt Ltd, and Anhui Reliable Steel Tec China. These subsidiaries provide vital supporting services to Technocraft. Technocrat Exports Pvt Ltd (Mumbai), another wholly owned subsidiary of Technocraft, has been merged with Technocraft with effect from May 6, 2011.

Set up as a partnership firm in 1972, Technocraft was reconstituted as a limited company in 1991. It has three manufacturing business divisions: drum closures, pipes and scaffoldings, and garments and cotton yarn. The company is a leading drum closure manufacturer in the international market, with a sizeable market share and an annual capacity of around 40 million sets. It has an installed capacity of 2500 tonnes per month for pipes and scaffoldings, and 60,000 spindles in its yarn division. The company has several marketing subsidiaries in the US, Europe, and Australia. Technocraft has a 15-megawatt power plant, which is currently shut down because of the unfavourable terms in the power purchase agreement with Maharashtra State Electricity Board. The unit is expected to commence operations in the ensuing quarter and the output shall be used for captive consumption.

Rating Strengths

- Strong market position in international drum closure industry
- Healthy financial risk profile

Rating Weaknesses

- Susceptibility of margins to downturns in end-user industries
- Exposure to volatility in raw material prices and foreign exchange rates

Outlook:Stable

CRISIL believes that Technocraft will maintain its robust financial risk profile, backed by its strong net worth, ample liquidity in the form of unencumbered cash and debt-linked investments, and absence of any major capital expenditure (capex) programme or acquisition over the medium term. Moreover, Technocraft continues to benefit from its established market position in its core business segment of drum closures. The outlook may be revised to 'Positive' if Technocraft scales up its operations substantially without affecting its capital structure or compromising on its profitability. Conversely, the outlook may be revised to 'Negative' if the company's business risk profile is adversely impacted by slower-than-expected ramp-up in the scaffolding division or unprecedented losses in the yarn division, or if the company undertakes any larger-than-expected debt-funded capex programme or acquisition.

Key Rating Sensitivity Factors

- Scale of proposed power plant, and its funding pattern
- Ability to pass on increases in raw material prices to customers
- Diversification into new businesses, and their funding

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	5,605	4,556	4,737
OPBDIT	782	751	560
PAT	356	397	148
Tangible Networth	4,172	3,817	3,467
Total Debt	1,704	1,554	1,247

OPBDIT Margins (%)	13.6	15.8	11.3
Net Profit Margins (%)	6.2	8.3	3
Interest cover (times)	12.82	10.31	4.57
NCA / Total Debt (times)	0.41	0.37	0.31
Gearing (times)	0.41	0.41	0.36
Total Debt / PBDIT (times)	1.80	1.78	1.98

Technofab Engineering Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
22/Jun/2011	A-	-	A2+	Stable

Company Background:

Technofab Engineering Ltd (TEL), incorporated in 1971, is promoted by Mr. Avinash Gupta. The company provides engineering, procurement, and construction (EPC) services on a turnkey basis. It undertakes execution of a wide range of balance-of-plant (BoP) and electro-mechanical projects in the power, oil and gas, water and wastewater treatment, and other industrial and infrastructure sectors in both India as well as the international markets. TEL has a manufacturing unit at Faridabad (Haryana) for fabrication and assembly operations.

Rating Strengths

- Strong financial risk profile
- Diversified revenue profile and healthy order book

Rating Weaknesses

- Limited track record in execution of large orders, constraining business risk profile
- Exposure to risks relating to delays in overall execution of projects
- Vulnerability to fluctuations in raw material prices

Outlook: Stable

CRISIL believes that TEL will maintain its credit risk profile, backed by strong cash accruals and healthy order book, over the medium term. The outlook may be revised to 'Positive' if TEL is able to execute large orders while improving its operating margin and maintaining its capital structure. Conversely, the outlook may be revised to 'Negative' if the company's working capital management deteriorates or if it undertakes a large, debt-funded capital expenditure (capex) programme, impacting its cash accruals.

Key Rating Sensitivity Factors

- Sustainability of order book
- Working capital management
- Delays in project execution
- Slowdown in power-sector reforms
- Significant debt-funded capex

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	2015	1493	813
OPBDIT	339	219	98
PAT	192	117	53
Tangible Networth	502	322	214
Total Debt	194	162	42
OPBDIT Margins (%)	16.8	14.6	12.1
Net Profit Margins (%)	9.5	7.8	6.5
Interest cover (times)	7.89	6.85	6.20
NCA / Total Debt times)	0.99	0.73	1.22
Gearing (times)	0.39	0.50	0.20
Total Debt / PBDIT (times)	0.55	0.73	0.43

Tecpro Systems Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Negative
Rating History				
01/Nov/2011	A+	-	A1	Negative
28/Oct/2010	A+	-	A1	Stable
16/Aug/2010	A	-	A1	Stable
29/Sep/2008	A	-	A1	Stable

**includes a sublimit of Rs.200.0 million of sales invoice discounting and Rs.100.0 million of purchase invoice*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Tecpro Systems Limited (TSL), and TSL's six subsidiaries, collectively referred to as the Tecpro group. TSL, owned by Mr. Ajay Kumar Bishnoi and Mr. Amul Gabrani, provides material handling equipment (MHE) solutions on a turnkey basis for power, cement, coal storage, and steel and other metallurgical plants. The projects involve designing, engineering, manufacturing, supplying, erection, and commissioning of MHE systems. The company has its own MHE manufacturing facilities in Bawal (Haryana) and Bhiwadi (Rajasthan). It also has design, engineering, and marketing offices in Chennai, Gurgaon, Kolkata, Mumbai, Secunderabad, Ahmedabad, and Bengaluru, with more than 170 engineers and draftsmen. The company raised about Rs.2.22 billion through an initial public offer (IPO) in September 2010.

TSL has six subsidiaries, including Tecpro Energy Ltd, which plans to commission two bio-mass plants of 7.5 megawatts (MW) each; the project has been kept on hold because of procedural delays. With effect from April 1, 2009, TSL has merged with itself its other wholly owned subsidiary, Tecpro Power Systems Ltd, which was engaged in setting up power plants with capacity of up to 55 MW on a turnkey basis.

Rating Strengths

- Established presence in MHE industry, with healthy growth prospects and improving operational integration
- Comfortable financial risk profile

Rating Weaknesses

- Highly working-capital-intensive operations
- Vulnerability to fluctuations in raw material prices

Outlook: Negative

CRISIL believes that the Tecpro group's financial risk profile will be under pressure over the medium term because of the expected increase in its working capital requirements with the expected increase in its scale of operations and its new balance of plants (BoP) power projects. The ratings may be downgraded if the Tecpro group reports weaker-than-expected operating performance due to delay in project execution or a consistent increase in debt levels due to large working capital requirements, resulting in a weaker-than-expected financial risk profile. Conversely, the outlook may be revised to 'Stable' if the group improves its working capital management with progressive improvement in receivables collection and efficient inventory management, while improving cash accruals and capital structure, thereby resulting in a better-than-expected financial risk profile.

Key Rating Sensitivity Factors

- Management of incremental working capital requirements
- Exposure to other group companies
- Stabilisation of business in subsidiary companies
- Capital expenditure plans and their funding

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	19,663	14,544	7,070
OPBDIT	3,277	2,323	914
PAT	1,183	1,093	507
Tangible Networth	6,381	3,437	1,590
Total Debt	7,474	4,904	1,053
OPBDIT Margins (%)	16.6	15.9	12.9
Net Profit Margins (%)	6.0	7.5	7.1
Interest cover (times)	2.64	3.50	8.19
NCA / Total Debt (times)	0.15	0.21	0.36
Gearing (times)	1.17	1.43	0.66
Total Debt / PBDIT (times)	2.30	2.00	1.09

Tega Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
09/Nov/2011	A	-	A1	Stable
11/ Jun/2010	A	-	A1	Positive
22/ Sep/2008	A	-	A1	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Tega Industries Ltd (TIL) and its subsidiaries, Tega Industries Inc USA (TII), Tega Industries Australia Pty Ltd (TIAPL), Tega Industries Canada Inc (TICI), Tega Investments Ltd (TIL), Tega Industries SEZ Ltd (TSEZ), Tega Holdings Pte Ltd (THPTE), Tega Holdings Pty Ltd (THPTY; holding company for Losugen Pty Ltd), and Tega Engineering Chile STDA (TECL; holding company for Acotec S.A). All these entities have been collectively referred to as the Tega group.

TIL manufactures wear-resistant rubber components (WRRCs) and specialised moulded wear resistant products for mineral processing applications and polyurethane (PU) lining. TIL's manufacturing facilities are in Kalyani and Samali (both in West Bengal). In 2001 and 2002, the company set up two wholly owned subsidiaries, TII and TIAPL, for improving its exports. In 2006, Tega incorporated another wholly owned subsidiary in the Bahamas, as a holding company that owns Tega Beruc South Africa Pty Ltd, a manufacturing unit in South Africa. In March 2008, it incorporated TICI, a wholly owned subsidiary.

Rating Strengths

- Healthy market position in wear-resistant rubber products and components
- Strong financial risk profile

Rating Weaknesses

- Working capital-intensive operations
- Susceptibility to risks related to aggressive growth plans

Outlook: Stable

CRISIL believes that Tega Group's business risk profile is substantially fortified on account of its increasing presence across the globe, its augmented product offering and growing demand from the end user industries. The rating outlook may change to positive if the group is successfully able to integrate the recently concluded acquisition, and maintain healthy revenue growth and profitability. Conversely, the outlook may be revised to 'Negative' if TIL's capital structure deteriorates further on account of large debt-funded acquisition or capital expenditure (capex), or if there is pressure on its profitability.

Key Rating Sensitivity Factors

- Large capex or acquisition, and its funding pattern
- Working capital management
- Maintenance of operating margin

Financial Performance (Consolidated)

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	5,036	2,327	2,026
OPBDIT	1,001	708	549
PAT	592	381	253
Tangible Networth	1,418	960	646
Total Debt	2,795	256	415

OPBDIT Margins (%)	19.3	29.2	25.8
Net Profit Margins (%)	11.4	15.7	11.9
Interest cover (times)	19.13	9.46	12.07
NCA / Total Debt times)	0.24	1.53	0.60
Gearing (times)	1.97	0.27	0.64
Total Debt / PBDIT (times)	2.72	0.36	0.82

Telecommunications Consultants India Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
25/May/2009	A+	-	A1+	Stable
30/Sep/2008	-	-	A1+	-

Company Background:

Telecommunications Consultants India Ltd (TCIL), incorporated in 1978 by the government of India (GoI), is wholly owned by the Department of Telecommunications. It undertakes turnkey and consultancy projects in India and abroad, primarily in the Out Plant Services (OPS) segment; these projects mainly involve ducting and cabling for network rollouts in telecommunication projects. Other operations include maintenance of telecom networks, civil and architectural projects, and consultancy for network design and information technology. The company has a presence in over 50 countries.

Rating Strengths

- Healthy financial flexibility, supported by 30 per cent stake in Bharti Hexacom Ltd (Bharti Hexacom)
- Diversified revenue profile

Rating Weaknesses

- Low overall profitability
- Increasing exposure to intensely competitive construction business and other new ventures, constraining return on capital employed (RoCE)

Outlook:Stable

CRISIL believes that TCIL will maintain healthy financial flexibility, supported by its favourable capital structure. The profitability of its new projects is expected to be better than the past projects. The outlook may be revised to 'Positive' if TCIL attains significant revenue diversity, and reports improvement in operating efficiency. Conversely, the outlook may be revised to 'Negative' if TCIL's capital structure weakens, if its RoCE does not improve, or if it reports significant delays in sale of the Bharati Hexacom stake.

Key Rating Sensitivity Factors

- Profitability and revenue growth
- Sale of stake in Bharti Hexacom, a 30:70 joint venture between TCIL and Bharti Airtel Ltd (Bharti Airtel, rated 'CRISIL AAA/Negative/CRISIL A1+), and subsequent dividend payout
- Liquidity and debt requirement
- Net working capital requirement
- Exposure to risks relating to volatility in foreign exchange rates

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	6823	6178	3841
OPBDIT	42	-73	-28
PAT	113	94	21
Tangible Networth	4119	4056	4000
Total Debt	621	539	466

OPBDIT Margins (%)	0.6	-1.2	-0.7
Net Profit Margins (%)	1.6	1.5	0.5
Interest cover (times)	7.90	4.50	2.87
NCA / Total Debt (times)	0.16	0.17	0.11
Gearing (times)	0.15	0.13	0.12
Total Debt / PBDIT (times)	2.80	4.38	4.38

Tenova Hypertherm Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
12/Sep/2011	A+	-	A1+	Stable

Company Background:

Tenova Hypertherm Pvt Ltd (THPL) is a key player in the design and supply of industrial furnaces for reheating and strip processing lines in India. THPL designs and supplies advanced technologies, products, and services for the metal and mining industries. The majority (51 per cent) shareholder of THPL is an Italian company, Tenova SpA, which is a major international supplier of advanced technological solutions for the metals and raw materials industries worldwide. Tenova SpA is part of the larger Techint group. The balance 49 per cent is held by a group of five Indian senior technocrats.

Tenova SpA has a wide portfolio of products catering to the metals and mining industries; however, THPL focuses on supplying reheating furnaces to the steel Industry. Reheating furnaces play an important role in the production of flat steel products. Steel billets are loaded into these furnaces for heating before being run through a hot strip mill. Average life of a reheating furnace is 15 to 20 years.

Rating Strengths

- Strong technological support from Tenova SpA
- Healthy financial risk profile

Rating Weaknesses

- Working-capital-intensive operations
- Vulnerability to investment cycles in steel industry

Outlook: Stable

CRISIL believes that THPL will continue to benefit over the medium term from the strong technological and management support it receives from its majority stakeholder Tenova SpA. The outlook may be revised to 'Positive' if THPL scales up operations while maintaining it profitability and capital structure. Conversely, the outlook may be revised to 'Negative' in case a decline in the company's turnover or profitability, resulting in deterioration in its financial risk profile.

Key Rating Sensitivity Factors

- Continuing support from Tenova SpA
- Capacity addition in steel industry
- Any change in shareholding pattern
- Major capital expenditure or acquisition

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1125	1014	1095
OPBDIT	220	165	117
PAT	146	88	69
Tangible Networth	352	206	117
Total Debt	-	-	-
OPBDIT Margins (%)	19.4	16.1	10.7
Net Profit Margins (%)	12.9	8.7	6.3
Interest cover (times)	119.50	18.56	11.78
NCA / Total Debt times)	-	-	-
Gearing (times)	-	-	-
Total Debt / PBDIT (times)	-	-	-

CRISIL RATINGS 25 YEARS MAKING MARKETS FUNCTION BETTER

Texmo Industries

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
28/Oct/2010	A	-	A1	Stable

Company Background:

Texmo Industries (Texmo) was set up as a partnership firm in 1956 by Mr. R Ramaswamy to manufacture textile motors. The firm is currently managed by Mrs. Damayanthi Ramachandran, daughter-in-law of Mr. R Ramaswamy and is closely held by the family. The firm is into manufacturing of bore well submersible pump sets, single-phase domestic pumps, agricultural monoblocs, open-well submersible and electric motors. Texmo's manufacturing facilities are located in Coimbatore (Tamil Nadu) with an installed capacity of 1200 tonnes per month (tpm) spread across its five units; the firm also has a captive foundry for its casting needs with an installed capacity of 1200 tpm.

Rating Strengths

- Strong-financial risk profile
- Established market position in the pump industry with high operating efficiencies

Rating Weaknesses

- Intense competition in the fragmented pump industry
- Susceptibility of operating margin to volatility in raw material prices

Outlook:Stable

CRISIL believes that Texmo will maintain its established market position, low debt levels, and steady cash accruals over the medium term. The outlook may be revised to 'Positive' if Texmo increases its market share substantially while maintaining its profitability and capital structure. Conversely, the outlook may be revised to 'Negative' if Texmo undertakes a larger-than-expected debt-funded capital expenditure (capex) programme, leading to deterioration in its capital structure, its revenues or margins decline sharply, or if the partners withdraw substantial quantum of capital from the firm.

Key Rating Sensitivity Factors

- Quantum of capital withdrawn by promoters
- Capex and their funding mix
- Adverse movement in raw material prices
- Sustenance in growth and profitability

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	4320	3118	2343
OPBDIT	740	242	215
PAT	391	90	217
Tangible Networth	1392	1086	966
Total Debt	538	587	444
OPBDIT Margins (%)	15.8	7.2	8.1
Net Profit Margins (%)	8.3	2.7	8.2
Interest cover (times)	26.73	4.45	9.38
NCA / Total Debt (times)	1.26	0.40	0.48
Gearing (times)	0.39	0.54	0.46
Total Debt / PBDIT (times)	0.64	1.91	1.56

TFL Quinn India Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
13/Jul/2011	A-	-	A2+	Stable
26/Jun/2009	BBB+	-	A2	Stable

Company Background:

Based in Hyderabad (Andhra Pradesh [AP]), TFL Quinn India Private Ltd (TFL Quinn) manufactures specialty chemicals used in different stages of processing leather. The company is a wholly owned subsidiary of TFL Ledertechnik GmbH, Germany (TFL), a globally renowned manufacturer of leather chemicals.

TFL has subsidiaries in 18 countries and seven production centres worldwide. TFL Quinn has manufacturing facilities at Bachupally (AP), with an installed capacity of 25,000 tonnes per annum. The company has an established dealer network in India with 16 dealers across major leather centres in India.

Rating Strengths

- Established presence in leather chemicals segment supported by strong research and development (R&D) focus
- Healthy financial risk profile

Rating Weaknesses

- Exposure to intense competition in specialty chemicals market, and product concentration in revenues
- Working-capital-intensive and moderate scale of operations

Outlook: Stable

CRISIL believes that TFL Quinn will continue to benefit over the medium term from its established position in the specialty leather chemicals market. The outlook may be revised to 'Positive' in case there is significant growth in the company's revenues and operating margin, leading to an improvement in its business risk profile. Conversely, the outlook may be revised to 'Negative' if the company's financial risk profile deteriorates because of a sharp decline in its margins and cash accruals, or in case TFL Quinn undertakes a large debt-funded capital expenditure (capex) programme.

Key Rating Sensitivity Factors

- Debt-funded capex
- Decline in realisations impacting margins
- Support from parent, TFL

Financial Performance

Rupees Million	31-Mar-10	31-Mar-10	31-Mar-09
Net Sales	1144	1056	1172
OPBDIT	172	152	158
PAT	90	67	60
Tangible Networth	253	286	267
Total Debt	166	153	209
OPBDIT Margins (%)	14.9	13.7	13.4
Net Profit Margins (%)	7.8	6.0	5.1
Interest cover (times)	8.99	5.07	5.05
NCA / Total Debt times)	0.35	0.24	0.28
Gearing (times)	0.66	0.54	0.78
Total Debt / PBDIT (times)	0.96	1.00	1.27

The KCP Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Positive
Rating History				
13/Aug/2010	A-	-	A2+	Positive
21/Aug/2008	A-	-	A2+	Stable

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of The KCP Ltd (KCP) and its subsidiary, KCP Vietnam Industries Ltd (KCP Vietnam), together referred to as the KCP group.

The KCP group was founded in 1941 by Mr. V Ramkrishna, a first-generation entrepreneur who set up a sugar factory in Andhra Pradesh. KCP is the flagship company of the KCP group. The group's cement division, which contributes around 35 per cent to its revenues on a consolidated basis, commenced operations in 1958. KCP operates a cement plant with capacity of 0.66 million tonnes per annum (mtpa) in Andhra Pradesh's Guntur district. The company is setting up additional capacity of 1.52 mtpa, which will take its total cement capacity to 2.18 mtpa. KCP's heavy engineering division, which contributes around 24 per cent to its revenues, was established in 1955 in Tiruvottiyur, Chennai. This division is involved in casting, fabrication, and machining heavy equipment for core industries, such as sugar, cement, steel, and power. In 1996, KCP's sugar unit was demerged into a separate company, KCP Sugar and Industrial Corporation Ltd. KCP's subsidiary, KCP Vietnam, set up a sugar factory in Vietnam, with capacity for crushing 5000 tonnes of sugarcane crushed per day (tcd), in 1999 (expanded to 7000 tcd in 2011); this division contributes around 37 per cent to the group's revenues.

Rating Strengths

- Established track record in cement and engineering businesses in South India, and sugar business in Vietnam
- Healthy financial risk profile marked by comfortable capital structure and strong debt protection measures

Rating Weakness

- Oversupply of cement in South India

Outlook: Positive

CRISIL believes that the KCP group will register healthy growth in earnings and cash flows over the medium term, and continue to have sound debt protection measures. The ratings could be upgraded if the group strengthens its market position in the cement business post capacity expansion, while improving its operating margin. Conversely, the outlook may be revised to 'Stable' if the KCP group plans larger-than-expected debt-funded capital expenditure (capex) or inorganic growth, or seeks to use its financial resources to support its group companies.

Key Rating Sensitivity Factors

- More-than-expected debt to fund capex
- Increased pressure on operating margin

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	6,587	6,432	5,336
OPBDIT	1,377	1,626	1,419
PAT	959	1,056	891
Tangible Networth	4,474	3,880	3,109
Total Debt	3,981	2,779	1,401

OPBDIT Margins (%)	20.9	25.3	26.5
Net Profit Margins (%)	14.5	16.4	16.7
Interest cover (times)	9.1	12.27	12.1
NCA / Total Debt (times)	0.2	0.4	0.67
Gearing (times)	0.89	0.72	0.45
Total Debt / PBDIT (times)	2.49	1.61	0.90

The Mathrubhumi Printing and Publishing Company Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
02/Nov/2010	A	-	A1	Stable
24/Nov/2008	A	-	A1	Negative
04/Apr/2008	A	-	A1	Stable

Company Background:

Promoted in 1923 by a group of nationalists, The Mathrubhumi Printing and Publishing Company Ltd (MPPCL) is closely held, with about 64 per cent stake held by two families at present, headed by Mr. M P Veerendrakumar (current chairman and managing director) and Mr. P V Chandran of the KTC group. The company prints and publishes newspapers, periodicals, and journals. Mathrubhumi is the company's flagship daily and accounted for about 84 per cent of revenues (circulation and advertisement revenues) in 2009-10. Share of advertisement revenues in MPPCL's total revenues gradually increased to 54 per cent in 2009-10 from 43 per cent in 2002-03, while that of circulation revenues declined to 44 per cent from 55 per cent during the same period. MPPCL also operates Frequency Modulation (FM) radio channels in Thiruvananthapuram, Thrissur, Kannur, and Kochi. The company is also planning a news-based television channel which is expected to commence operations in 2011-12.

Rating Strengths

- Established market position in newspaper industry in Kerala
- Healthy operating efficiencies
- Adequate and improving financial risk profile

Rating Weaknesses

- Regional concentration in revenues
- Susceptibility of operating profitability to fluctuations in newsprint prices and economic cycles

Outlook:Stable

CRISIL believes that MPPCL will maintain a steady business risk profile over the medium term supported by the healthy market position for its Mathrubhumi newspaper in Kerala, as well as increasing advertisement revenues. The company's financial risk profile is also expected to remain adequate over the medium term, supported by healthy cash generation. The outlook may be revised to 'Positive' in case of better-than-expected improvement in MPPCL's business levels and profitability, leading to more-than-expected improvement in gearing and debt protection metrics. Conversely, the outlook may be revised to 'Negative' if MPPCL's operating profitability is adversely impacted by the increasing newsprint prices, significant losses in the television business, or significant increase in debt levels due to larger-than-expected capital expenditure (capex).

Key Rating Sensitivity Factors

- Significant increase in newsprint prices affecting profitability of publishing business
- Turnaround in FM radio business
- Additional debt-funded capex, including acquisition of new FM radio circles

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3327	2977	2719
OPBDIT	642	304	533
PAT	247	9	180
Tangible Networth	776	555	541
Total Debt	712	915	518
OPBDIT Margins (%)	19.0	10.1	19.3
Net Profit Margins (%)	7.3	0.3	6.5
Interest cover (times)	6.91	2.54	6.87
NCA / Total Debt (times)	0.53	0.16	0.56
Gearing (times)	0.92	1.65	0.96
Total Debt / PBDIT (times)	1.10	3.37	1.00

The Printers Mysore Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
25/Nov/2010	A	-	A1	Stable

Company Background:

Established in 1948, The Printers Mysore Pvt Ltd (TPMPL) publishes two newspapers, Deccan Herald (DH), in English, and Prajavani, in Kannada, and two magazines, Sudha and Mayura, both in Kannada. TPMPL's operations are concentrated in Karnataka and are expected to remain so over the medium term as well. DH is one of the top three English newspapers in Karnataka, in terms of circulation. Prajavani is the second-largest Kannada newspaper, in terms of circulation. TPMPL publishes 12 editions of DH and 34 editions of Prajavani. The magazines, Sudha and Mayura, also enjoy a sound market position in their respective segments. The company's operations and target market are concentrated in Karnataka. TPMPL owns printing presses in Bengaluru, Dharwad, Mangalore and Gulbarga, and gets printing done by third parties in two other locations, Mysore and Davangere.

Rating Strengths

- Strong financial risk profile
- Healthy market position of DH and Prajavani in Karnataka newspaper market

Rating Weaknesses

- Geographic concentration, with intense competition in key market, restricting revenue growth
- Susceptibility of operating margin to fluctuations in newsprint prices and economic cycles

Outlook:Stable

CRISIL expects TPMPL to maintain its strong financial profile, driven by strong cash accruals. The company is also expected to maintain its established market position in the Karnataka newspaper industry. The outlook may be revised to 'Positive' in case the company further strengthens its market position in key markets, especially Bengaluru, resulting in higher circulation numbers, revenue growth and profitability. Conversely, the rating may be revised to 'Negative' in case of significant pressure on TPMPL's revenues and cash accruals, on account of intense competition in the Karnataka newspaper market, or if TPMPL undertakes any large, debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Growth in revenues and profitability
- Volatility in newsprint prices
- Any expansion into new states or segments
- Capex and its funding

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1897	1843	1759
OPBDIT	248	33	271
PAT	82	-93	122
Tangible Networth	701	626	719
Total Debt	103	216	74

OPBDIT Margins (%)	12.9	1.8	15.2
Net Profit Margins (%)	4.3	-5.0	6.9
Interest cover (times)	14.17	-1.05	24.05
NCA / Total Debt (times)	1.75	0.01	2.80
Gearing (times)	0.15	0.35	0.10
Total Debt / PBDIT (times)	0.42	-9.97	0.27

Threads (India) Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A1	Stable
Rating History				
24/Nov/2008	A-	-	A1	Stable

Company Background:

Threads (India) Ltd is part of the Lohia group which includes Lohia Starlinger Ltd (rated 'CRISIL AA-/Stable/CRISIL A1+') and Injectoplast Pvt Ltd (rated 'CRISIL A-/Stable/CRISIL A1'). TIL, incorporated in 1983, started commercial production in September 1989, in collaboration with the French company Cousin Filterir S.A., (CFF); the collaboration has since expired. The Lohia group has interests in packing machinery and other engineering industries.

TIL produces a wide range of synthetic filaments and fibres catering to the demands of different industrial segments, such as leather goods, readymade garments, sports goods, upholstery, luggage accessories, tents, automobile seats, safety belts, and industrial filters. TIL has a manufacturing unit at Chaubepur, on the outskirts of Kanpur. The company has a wide geographical reach through its nine sales offices across India. It commissioned a second unit in Bengaluru in 2009 to cater to the south Indian markets. With the commencement of the Bengaluru facility, the company is able to supply goods to its clients in south India within two days of placing the order as against five to seven days earlier.

Rating Strengths

- Established market position in threads business
- Adequate and improving financial risk profile
- Support from Lohia group entities

Rating Weaknesses

- Susceptibility to volatility in raw material prices
- Intense industry competition

Outlook: Stable

CRISIL believes that TIL will continue to be supported by its healthy sales growth, and additional revenues from its new unit at Bengaluru (Karnataka), over the medium term. The company's financial risk profile is expected to remain adequate during this period, marked by healthy debt protection metrics. The outlook may be revised to 'Positive' if TIL significantly scales up its operations and generates higher-than-expected operating profitability over the medium term. Conversely, the outlook may be revised to 'Negative' in the event of a significant slowdown in the end-user industry, negatively impacting both TIL's revenue growth and profitability, if the company undertakes a large, debt-funded capital expenditure (capex) programme, or in the event of steep increase in debtor and inventory levels.

Key Rating Sensitivity Factors

- Stability of operating margin
- Debt-funded capex programme
- Growth in end-user industry

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	799	621	548
OPBDIT	117	109	83
PAT	42	38	12
Tangible Networth	289	247	209
Total Debt	357	239	239

OPBDIT Margins (%)	14.6	17.4	14.9
Net Profit Margins (%)	5.2	6.0	2.2
Interest cover (times)	3.97	5.16	2.96
NCA / Total Debt (times)	0.18	0.24	0.19
Gearing (times)	1.24	0.97	1.14
Total Debt / PBDIT (times)	NP	NP	NP

CRISIL RATINGS

Time Mauser Industries Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
13/April/2011	A	-	A1	Stable
1/ July/2009	A	-	A2+	Stable

Company Background:

For arriving at its ratings, CRISIL has factored in the operational and financial support available to Time Mauser Industries Ltd (Time Mauser) from Time Technoplast Ltd (Time; rated 'CRISIL AA-/Stable/CRISIL A1+'), which holds a 49 per cent stake in Time Mauser.

Time Mauser was incorporated in 2003 as Qpak Industries Pvt Ltd (Qpak) by Time. In 2004, Mauser Holding International GmbH (Mauser) acquired a stake of 51 per cent in Qpak, while the remaining 49 per cent was retained by Time; subsequently, Qpak was renamed. The company manufactures IBCs of 1000-litre capacity at its Daman unit (capacity of 90,000 drums per annum), and steel drums of 210-litre capacity at its unit in Pen, Maharashtra (capacity of 1.80 million drums per annum).

Rating Strengths

- Strong operational and financial support from Time
- Established market position in intermediate bulk container (IBC) business

Rating Weaknesses

- Average financial risk profile, marked by stretched liquidity
- Susceptibility of operating margin to volatility in raw material prices

Outlook: Stable

CRISIL believes that Time Mauser will continue to benefit from its established market position in the IBC business, and continued support from Time, over the medium term. The outlook may be revised to 'Positive' in case of significant improvement in the company's liquidity and operating margin. Conversely, the outlook may be revised to 'Negative' if Time Mauser undertakes a larger-than-expected, debt-funded capital expenditure programme, or if there is a downward revision in the ratings on Time.

Key Rating Sensitivity Factors

- Changes in support from Time, or in Time's rating
- Adverse movements in polymer and steel prices

Financial Performance

Rs. Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	863	622	521
OPBDIT	103	97	84
PAT	31	22	22
Tangible Networth	327	296	274
Total Debt	320	309	317
OPBDIT Margins (%)	12.0	15.6	16.3
Net Profit Margins (%)	3.6	3.6	4.2
Interest cover (times)	3.25	2.57	2.56
NCA / Total Debt (times)	0.16	0.13	0.13
Gearing (times)	0.98	1.04	1.16
Total Debt / PBDIT (times)	NP	NP	NP

Tirumala Milk Products Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A			Positive
Rating History				
26/Nov/2010	A	-	-	Positive
27/Nov/2009	A	-	-	Stable

Company Background:

Set up in 1998, Tirumala Milk Products Private Limited (TMP) is in the dairy business and engaged in the processing and manufacturing milk and milk products such as curd, ghee, butter, buttermilk, flavoured milk, ice cream, and other dairy products. All its products are sold under the Thirumala brand. TMP has seven processing and packaging plants with a capacity to process 1.2 million litres of milk per day. The company has its registered office at Narsaraopet in Guntur district of Andhra Pradesh. The processing plants are located in various parts of Andhra Pradesh and cater to Chennai (Tamil Nadu), Bengaluru (Karnataka), and Andhra Pradesh markets.

TMP has received equity of Rs.542 million in May 2010 from the Washington-based Carlyle private equity group through its fund, Asia Growth Partners IV. Carlyle Group is a global alternative asset management firm with more than $97.7 billion under its management. TMP will utilise the funds for developing production-related infrastructure, strengthening its procurement network and distribution reach, and scaling up capacities.

Rating Strengths

- Established market position, promoters' experience, and healthy operating efficiency in dairy business
- Above average financial risk profile

Rating Weaknesses

- Limited geographical and product diversity, and exposure to intense competition
- Susceptibility to unfavourable government regulations and epidemic-related factors

Outlook: Positive

CRISIL believes that TMP's financial risk profile will improve over the medium term following the private equity infusion. CRISIL also believes that the company will generate healthy cash flows over this period because of the expected growth in its revenues, supported by higher demand from end-user segments and cost efficiencies. The rating may be upgraded if there is an increase in TMP's scale of operations after the completion of the on-going capital expenditure (capex) programme, and if the company maintains its strong financial risk profile over the medium term. Conversely, the outlook may be revised to 'Stable' if TMP's financial risk profile deteriorates, most likely because of a sharp decline in revenues and profitability, time or cost overruns in new projects, or aggressively debt-funded capex.

Key Rating Sensitivity Factors

- Capex plans, and their funding mix
- Time or cost overruns in projects
- Pressure on margins

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	5857	4708	3737
OPBDIT	425	296	221
PAT	194	133	99
Tangible Networth	615	435	302
Total Debt	1124	448	337
OPBDIT Margins (%)	7.2	6.3	5.9
Net Profit Margins (%)	3.3	2.8	2.6
Interest cover (times)	7.71	8.83	5.69
NCA / Total Debt (times)	0.25	0.46	0.45
Gearing (times)	1.83	1.03	1.11
Total Debt / PBDIT (times)	2.60	1.50	1.50

Titagarh Wagons Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Positive
Rating History				
05/Oct/2011	A+	-	A1+	Positive
08/Jul/2010	A+	-	A1	Stable
26/Mar/2009	A	-	A1	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profile of Titagarh Wagons Limited (TWL) and Cimmco Ltd (Cimmco), together referred to as the Titagarh group. TWL was set up in 1997, when the wagon manufacturing unit in a group company, Titagarh Steels Ltd (TSL), was transferred to TWL. Over the years, the company has increased its capacity to around 10 wagons per day from its initial capacity of 15 wagons per month. The company operates two manufacturing facilities at Titagarh and Uttarpara (both in West Bengal).

TSL and Titagarh Biotech Pvt Ltd (TBPL; a wholly owned subsidiary of TWL) were merged with TWL in 2009. The merger resulted in TWL's backward integration into steel casting, and diversification into mining equipment. The acquired unit's possession of extra land also enabled TWL to plan its expansion. The company has now diversified into distinct divisions such as wagons, heavy earth moving & mining equipments (HEMM), steel castings, and special projects.

Rating Strengths

- Established market position in wagon manufacturing industry
- Strong operating efficiency, supported by integrated nature of operations and diversified revenue stream
- Healthy financial risk profile

Rating Weaknesses

- Dependence on Indian Railways for wagon orders
- Vulnerability to raw material price increases, and low pricing power
- Working-capital-intensive operations

Outlook: Positive

CRISIL believes that the Titagarh group's business risk profile will improve over the medium term, driven by expected increase in the group's market share as a result of stabilisation of Cimmco's operations and additional delivery of wagons by TWL. The ratings may be upgraded if the group's railway wagon allocation increases in 2011-12 and its diversification efforts lead to reduced revenue dependence on the Indian Railways. Conversely, the outlook may be revised to 'Stable' if the group undertakes a larger-than-expected debt-funded capital expenditure (capex) programme or acquisition, or if the increase in its market share is less than expected.

Key Rating Sensitivity Factors

- Investment in Cimmco and increased support to group companies
- Large debt-funded capex or acquisitions
- Diversification into unrelated businesses
- Increase or decrease in order book size

Financial Performance (Consolidated)

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	7,215	5,563	6,890
OPBDIT	1,244	913	949
PAT	725	602	638
Tangible Networth	4,996	4,191	3,900
Total Debt	1,341	1,580	118

OPBDIT Margins (%)	17.1	16.3	13.8
Net Profit Margins (%)	10.0	10.7	9.3
Interest cover (times)	21.95	11.75	9.09
NCA / Total Debt (times)	0.47	0.34	4.74
Gearing (times)	0.27	0.38	0.03
Total Debt / PBDIT (times)	1.06	1.48	0.11

TPL Plastech Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
27/Apr/2009	A	-	A1	Stable

Company Background:

For arriving at its rating, CRISIL has factored in the operational and financial support available to TPL Plastech Ltd (TPL) from its parent, Time Technoplast Ltd (Time; rated 'CRISIL AA-/Stable/CRISIL A1+'), which holds a 75 per cent stake in TPL.

TPL was promoted by Dr. Ramesh Tainwala in 1992 as Tainwala Polycontainers Ltd. In July 2006, Time acquired 75 per cent of the company and renamed it. TPL manufactures high-density polyethylene (HDPE) drums and containers, with capacity ranging from 20 to 250 litres, which are primarily used in bulk packaging of specialty chemicals, paints and inks, pharmaceutical products, and fast-moving consumer goods (FMCG). The company has manufacturing units at Silvassa (Dadra and Nagar Haveli), and Jammu (Jammu and Kashmir) and Pantnagar (Uttarakhand), with current capacity of 11,000 tonnes per annum (tpa), 2000 tpa and 2000 tpa, respectively. TPL is setting up a unit at Bhuj (Gujarat), with capacity of 1500 tpa.

Rating Strengths

- Strong operational and financial support from parent, Time
- Established market position in rigid industrial packaging business

Rating Weaknesses

- Average financial risk profile
- Susceptibility of operating margin to volatility in polymer prices

Outlook: Stable

CRISIL believes that TPL will continue to benefit from its established market position and continued support from Time over the medium term. The outlook may be revised to 'Positive' in case of significant improvement in the company's net cash accruals and operating margin. Conversely, the outlook may be revised to 'Negative' if TPL undertakes a larger-than-expected, debt-funded capital expenditure (capex) programme, or in case of a downward revision in its parent's rating.

Key Rating Sensitivity Factors

- Change in the level of support from, or in the rating of, Time
- Adverse movement in polymer prices
- Capex plans, and their funding mix

Financial Performance

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	974	731	680
OPBDIT	141	104	80
PAT	90	46	31
Tangible Networth	243	171	144
Total Debt	326	247	99
OPBDIT Margins (%)	14.5	14.2	11.8
Net Profit Margins (%)	9.3	6.3	4.5
Interest cover (times)	4.37	5.72	3.84
NCA / Total Debt (times)	0.20	0.19	0.28
Gearing (times)	1.34	1.44	0.69
Total Debt / PBDIT (times)	2.27	2.29	1.20

Tratec Engineers Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
11/Apr/2011	A-	-	A2+	Stable

Company Background:

Incorporated in 1995 and promoted by Mr. Mr. Raman Anand, Mr. Kamal Khosla, and Mr. K. Rangaswamy, Tratec Engineers Pvt Ltd (Tratec) derives its name from transportation technologies. Tratec is into manufacturing of special-purpose multi-axle vehicles which are used to carry extremely heavy and over-dimensional consignments (ODCs). The company manufactures two types of trailers: specialised hydraulic modular trailers and customised trailers. Company derives majority of its revenue from specialised hydraulic modular trailer segment.

Rating Strengths

- Established market position in niche trailer manufacturing industry
- Comfortable financial risk profile

Rating Weakness

- Small scale of operations

Outlook: Stable

CRISIL believes that Tratec will maintain its credit risk profile, backed by its comfortable financial risk profile and established customer relationships, supported by good order book position. The outlook may be revised to 'Positive' if the company reports more-than-expected growth in its topline and margins while stabilising operations at its enhanced capacities. Conversely, the outlook may be revised to 'Negative' if there is sustained decline in topline and margins due to a slowdown in the infrastructure industry or due to delay in stabilisation of the enhanced capacities, leading to pressure on its financial risk profile.

Key Rating Sensitivity Factors

- Stabilisation of current expansion
- Sustenance of growth and margins
- Working capital management
- Further capital expenditure and its funding mix

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	470	524	500
OPBDIT	64	86	110
PAT	36	47	67
Tangible Networth	190	155	110
Total Debt	49	72	43

OPBDIT Margins (%)	13.5	16.4	21.9
Net Profit Margins (%)	7.7	9.0	13.3
Interest cover (times)	12.08	8.73	20.97
NCA / Total Debt times)	0.80	0.70	1.59
Gearing (times)	0.26	0.46	0.40
Total Debt / PBDIT (times)	0.75	0.84	0.39

Triton Valves Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Negative
Rating History				
02/Jan/2012	A-	-	A2+	Negative
03/Nov/2009	A-	-	A2+	Stable

Company Background:

Triton manufactures valves and cores that are used in automobile tyre tubes. The company was founded by Mr. M V Gokarn in 1976, and after his demise, is now managed by his wife, Mrs. Anuradha Gokarn, and son, Mr. Aditya Gokarn. The promoters hold a 50.2 per cent stake in the company, while the public holding is 49.8 per cent. Triton supplies to almost all the leading tyre manufacturers in the country, including MRF Ltd (MRF), Apollo Tyres Ltd (Apollo Tyres, rated 'CRISIL AA/Stable/CRISIL A1+'), JK Tyre and Industries Ltd (JK Tyre), and CEAT Ltd (CEAT), and has been maintaining its leadership position for over a decade. The company had a technical collaboration with Pingeot-Bardin SA (France), but the same was terminated after five years on absorption of the technology. Triton has periodically increased its capacity, in line with the growth in demand, and had an installed capacity of 82.8 million valves, and 120 million valve cores, per annum, as on March 31, 2011. The manufacturing facility is located in Mysore (Karnataka). The company's ongoing capex of Rs.430 million will result in enhanced capacities of around 150 million valves and 168 million cores per annum and is expected to be completed by January 2012.

Rating Strengths

- Established market position in valves and cores used for automobile tyre tubes
- Average financial risk profile

Rating Weaknesses

- Susceptibility of margins to volatility in commodity prices, and limited bargaining power with original equipment manufacturers (OEMs)
- Moderate scale of operations

Outlook: Negative

CRISIL believes that Triton's gearing and key debt protection metrics will moderate over the medium term due to large working capital requirements, ongoing debt-funded capital expenditure (capex) and less-than-expected operational cash flows. The outlook may be revised to 'Stable' if Triton reports more-than-expected growth in revenues and operational cash flows, and prudently manages its working capital, thereby improving its gearing and key debt protection metrics. Conversely, the rating may be downgraded in case the company reports less-than-expected cash generation or more-than-expected deterioration in capital structure.

Key Rating Sensitivity Factors

- Additional debt-funded capex
- Ability to manage input price pressures, and relationships with OEMs
- Entry of new players

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1,247	913	784
OPBDIT	153	123	94
PAT	60	48	29
Tangible Networth	433	369	329
Total Debt	503	265	210
OPBDIT Margins (%)	12.3	13.4	12.0
Net Profit Margins (%)	4.8	5.3	3.7
Interest cover (times)	6.26	6.08	4.07
NCA / Total Debt (times)	0.18	0.28	0.24
Gearing (times)	1.16	0.72	0.64
Total Debt / PBDIT (times)	3.27	2.12	2.18

U. P. Twiga Fiberglass Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
27/Apr/2009	A+	-	A1	Stable

Company Background

U. P. Twiga Fiberglass Limited (UTFL) was jointly set up in 1976 by Mr. Pradip Somaia, the Uttar Pradesh (UP) government, and some financial institutions. The company is the only manufacturer of glasswool insulation in India, and has signed a technical license agreement (renewable after three years) with Isover Saint Gobain (one of the largest glasswool insulation manufacturers in the world). UTFL's plants are at Sikanderabad (UP) and Ambernath (Maharashtra); UTFL has a total glasswool insulation capacity of 16,800 tonnes per annum (tpa). Its products are mainly used in heating, ventilating, and air-conditioning, pre-engineered buildings, automotive, and shipbuilding industries. UTFL also manufactures fibreglass tissue, which is used in waterproofing, pipe coating, battery separators, and paint reinforcement.

Rating Strengths

- Healthy share in glasswool insulation market, and access to Isover Saint Gobain's technological expertise
- Strong financial risk profile

Rating Weaknesses

- Selective applications of glasswool insulation technology in India
- Susceptibility to volatility in raw material prices and risks related to power-intensive operations

Outlook: Stable

CRISIL believes that UTFL will maintain its dominant market share in the domestic glasswool insulation industry in India, over the medium term. CRISIL also believes that the company will maintain its financial risk profile, during this period, given no major debt-funded capital expenditure (capex) plans coupled with strong expected cash accruals. The outlook may be revised to 'Positive' in case of significant and sustainable improvement in the company's business risk profile on the back of better-that-expected sales growth in value-added segments. Conversely, the outlook could be revised to 'Negative' in case of a decline in UTFL's revenues or operating margin and in the company's capacity utilization levels in the business because of growth in competing technologies, or in case of larger-than-expected, debt-funded capex leading to deterioration in the company's financial risk profile.

Key Rating Sensitivity Factors

- Competition from substitute technologies
- Increase in the scale of operations
- Maintenance of operating margin
- Continued association with Isover Saint Gobain
- Capex plans and their funding mix

Financial Performance

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1,035	911	910
OPBDIT	188	188	157
PAT	85	69	31
Tangible Networth	826	741	722
Total Debt	133	222	258
OPBDIT Margins (%)	18.1	20.5	17.0
Net Profit Margins (%)	8.2	7.5	3.4
Interest cover (times)	9.49	7.31	4.87
NCA / Total Debt (times)	1.11	0.61	0.40
Gearing (times)	0.16	0.30	0.36
Total Debt / PBDIT (times)	0.65	1.13	1.62

Uni Gems (India) Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
30/Mar/2011	A-	-	-	Stable
31/Jul/2009	-	-	A2+	-

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Ratilal Becharlal & Sons, Uni Gems India Pvt Ltd (both in the diamond business); Elegant Collection, Jasani Jewellery, RB Jewellery Corporation, Jasani Jewellery II (all four in the diamond-studded jewellery business); Dia Man Exports Pvt Ltd (into both diamond as well as diamond studded jewellery business); and Supreme Gems Pvt Ltd, Ratilal Becharlal Diamonds Pvt Ltd, and Ornat Gems Pvt Ltd (support units for the other entities in the group). All these entities have been collectively referred to herein as the Jasani group.

The Jasani group, promoted by Mr. Ratilal Becharlal Jasani in 1966, with Ratilal Becharlal & Sons as the group's flagship firm, is closely held by Jasani family. The group is primarily engaged in exports of rough diamonds, polished diamonds, and diamond-studded gold jewellery, though it has domestic operations as well. The group focuses on the round and princess-cut diamonds and specialises in Triple Excellent, Hearts, and Arrows, along with proprietary cuts such as Love Mark and Movado. The group has been a Diamond Trading Company (DTC) sightholder since the past 36 years. It does not own jewellery brands; however, it has marketing rights for Asian and Gulf countries for brands such as Perfect Choice, You, Love Mark, Trestelle, and the Bride's Pendant, which are currently owned by The Stuckey Co, USA. The Jasani group sells its products in the US, Japan, Europe, the Far East, and India.

Rating Strengths

- Healthy financial risk profile, marked by high net worth, low gearing, and moderate debt protection indicators
- Strong operational efficiencies, driven by assured supplies of rough diamonds from DTC and Alrosa Company Ltd, Russia (Alrosa), and efficient working capital management
  Comfortable business risk profile, with presence in segments such as polished diamonds and diamond-studded jewellery, and extensive experience of promoters

Rating Weaknesses

- Vulnerability of profitability to fluctuation in diamond prices and foreign exchange rates
- Exposure to risks related to revenue concentration in US and European markets

Outlook: Stable

CRISIL expects the Jasani group to maintain its healthy financial risk profile on the back of its efficient working capital management. CRISIL also expects the group to maintain its established market position and strong operating efficiencies. The outlook may be revised to 'Positive' if the group's revenue and profitability increase significantly, while it maintains a healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' if the group faces pressure on revenue and profitability, or significant deterioration in capital structure.

Key Rating Sensitivity Factors

- Revenue growth and operating profitability
- Continued efficiency in working capital management
- Continuity of assured diamond supplies from DTC and Alrosa
- Any significant deterioration in financial risk profile, including due to substantial withdrawal of capital by promoters

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	10629	9,299	9,699
OPBDIT	675	(99)	478
PAT	469	(303)	199
Tangible Networth	2998	2,707	3,143
Total Debt	2217	760	1,808

OPBDIT Margins (%)	6.2	(1.1)	4.9
Net Profit Margins (%)	4.3	(3.3)	2.0
Interest cover (times)	6.47	(0.71)	3.68
NCA / Total Debt (times)	0.15	(0.53)	(0.01)
Gearing (times)	0.74	0.28	0.58
Total Debt / PBDIT (times)	3.00	(7.46)	3.67

United Shippers Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
06/Oct/2010	A+	-	A1+	Stable

Company Background:

For arriving at the ratings, CRISIL has combined the financial and business risk profiles of United Shippers Ltd (United Shippers), its wholly owned subsidiary USL Shipping DMCEST (USL DMCEST), and its joint ventures (JVs)—Dharamtar Infrastructure Ltd (DIL), USL Packaging Ltd (USL Packaging), and USL NMM Logistics Ltd (USL NMM). CGU Logistics Ltd (CGU), a JV between United Shippers and Coeclerici Logistics SPA, Itlay, has been combined to the extent of United Shippers' shareholding (22.5 per cent) in the JV. All these companies have collectively been referred to herein as the United Shippers group.

United Shippers was promoted in 1952 by the Somani and Parekh families. The Parekh family controls the day-to-day operations of the United Shippers group. Mr. Sevantilal Parekh is the chairman and managing director of United Shippers. United Shippers provides integrated logistics services for sea-borne cargo. Its services include lighterage, stevedoring, storage, and rail/land transportation. USL DMCEST charters vessels for clients of United Shippers as well as for several other clients, mainly for commodities, such as iron ore, cement, and bauxite. In 2005-06, United Shippers partnered with PNP Maritime Services Ltd to set up DIL for setting up a port, including a container freight station, railway siding, and warehousing facilities at Dharamtar (Maharashtra). United Shippers holds 39.6 per cent stake in DIL. United Shippers also holds 50 per cent stake in USL Packaging, which provides bagging and packaging facilities, mainly for fertilisers, and USL NMM, which operates radio-controlled grabs at minor ports. United Shippers also has 22.5 per cent stake in CGU Logistics, which is in the business of maritime transportation and trans-shipment.

Rating Strengths

- Strong position in integrated port logistics services business, mainly in Gujarat and Maharashtra
- Healthy financial risk profile and strong liquidity

Rating Weaknesses

- Low profitability in its port operations
- Susceptibility of its business to slowdown in economy

Outlook:Stable

CRISIL believes that the United Shippers group will continue to benefit from its established position in the integrated port logistic services business, over the medium term. The outlook could be revised to 'Positive' in case of a significant increase in the group's cash accruals and a sustained improvement in its capital structure. Conversely, the outlook could be revised to 'Negative' if the United Shippers group's liquidity or operating margin declines, or if it undertakes a large, debt-funded capital expenditure (capex) programme.

Key Rating Sensitivity Factors

- Decline in profitability
- Extent of debt-funded capex
- Support to any of promoter-related entities

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	4118	3148	5069
OPBDIT	694	403	386
PAT	409	261	167
Tangible Networth	2930	2678	2281
Total Debt	361	422	375
OPBDIT Margins (%)	16.6	12.7	7.5
Net Profit Margins (%)	9.8	8.2	3.2
Interest cover (times)	11.95	8.47	4.89
NCA / Total Debt (times)	1.11	0.85	0.78
Gearing (times)	0.12	0.16	0.16
Total Debt / PBDIT (times)	0.44	0.77	0.85

Universal Medicare Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
04/Aug/2009	A+	-	A1+	Stable

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Universal Medicare Private Ltd (UMPL), Geltec Pvt Ltd (GPL), Geltec Pte Ltd (GPeL), and Geltec FZCO Ltd (GZL), collectively referred to as the Universal group.

The Universal group started operations by marketing the UK-based Seven Seas' cod liver oil in India. Subsequently, UMPL introduced its own products to build a portfolio of drugs focused on the nutraceutical and lifestyle segments. The group is also engaged in contract manufacturing for pharmaceutical companies, which will become the mainstay of the group's revenues after the sale of its brand portfolio to APL. In the contract manufacturing segment, the group specialises in manufacturing softgel capsules, which are soft-gelatine shells in which medicines in liquid or semi-liquid form are encapsulated. The group has two manufacturing units, in Sarigam (Gujarat) and Bengaluru (Karnataka).

Geltec Pharmacare FZCO, Dubai – The Company is owned by Geltec Singapore Pte (50%) and Universal Medicare Pvt Ltd (50%). The company serves as the sales and marketing office for Geltec Pvt Ltd. Geltec Singapore Pte Ltd is the holding company for the group's Dubai subsidiary and is a 100% subsidiary of Universal Medicare Pvt Ltd.

Rating Strengths

- Strong financial risk profile driven by ample liquidity
- Established position in contract manufacturing for pharmaceutical industry

Rating Weaknesses

- Expected weakening in business risk profile on account of discontinuation of the neutraceutical marketing business
- Small scale of operations with limited revenue diversity

Outlook:Stable

CRISIL believes that the Universal group will maintain its strong financial risk profile over the medium term supported by stable and robust cash inflows from the sale of brand portfolio and will maintain its established market position in the contract manufacturing business. The outlook may be revised to 'Positive' if the group increases its revenues significantly by successfully deploying the cash generated from the aforementioned transaction into related businesses, while maintaining its profitability and capital structure. Conversely, the outlook may be revised to 'Negative' in case of sharper than expected decline in the group's revenues, most likely due to default by UMPL on the contract terms with Aventis Pharma Ltd (APL, part of the Sanofi-Aventis group), or if the group contracts more-than-expected debt for any capital expenditure (capex) programme or acquisition.

Key Rating Sensitivity Factors

- Improvement in scale of operations
- Adherence to performance contracts leading to timely cash inflow from counterparty to which neutraceuticals business has been sold
- Future capex or acquisition and their funding thereof

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1,219	1,061	923
OPBDIT	295	233	207
PAT	196	154	97
Tangible Networth	641	520	423
Total Debt	115	94	108

OPBDIT Margins (%)	23.5	21.2	21.7
Net Profit Margins (%)	15.6	14.0	10.2
Interest cover (times)	33.93	25.96	10.74
NCA / Total Debt (times)	1.26	1.09	0.73
Gearing (times)	0.18	0.18	0.26
Total Debt / PBDIT (times)	0.36	0.36	0.54

UTV Software Communications Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A+		A1	Rating Watch with positive implications
Rating History				
29/ Jul/2011	A+		A1	Placed on Rating Watch with positive implications
17/ Feb/2011	A+		A1	Stable
05/Jun/2009	A+		A1	Negative
4/ Nov/2008	A+	-	A1+	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of UTV Software Communications Limited (UTV) and its subsidiaries. Incorporated in 1990 as United Software Communications Pvt Ltd, the company was renamed in March 1998. UTV initially developed television (TV) content for Doordarshan, and made advertisement films. With the advent of satellite TV in 1992, UTV got a contract for producing 150 hours of content for Zee TV. Later, it ventured into the in-flight entertainment business, in addition to dubbing and marketing serials produced abroad. In 1995, UTV launched one of India's first daily soaps, Shanti, which was aired on Doordarshan. In 1996, The Walt Disney Corporation, USA (Walt Disney; rated 'A/Stable/A-1' by Standard & Poor's) contracted UTV to dub its entire animation library into Hindi. In the same year, UTV ventured into the movie distribution business. Later, it entered the business of movie production, broadcasting, gaming, and interactive media. The company has moved from the business-to-business (B2B) model to a business-to-consumer (B2C) one. The Walt Disney Company (South East Asia) Pte Ltd (TWDC, investment arm of Walt Disney) subsequently acquired 50 per cent stake in UTV.

On 29 July 2011, UTV made an announcement that it has received a proposal from TWDC to delist its equity shares from all stock exchanges after acquiring the shares from the public shareholders through an open offer. If the delisting offer is successful, UTV's other promoters (including Mr. Rohinton Screwvala and group) would sell their entire stake in UTV to TWDC.

Rating Strengths

- Established position in motion pictures business, and benefits derived from studio approach
- Strong synergies among various business divisions
- High financial flexibility and expected improvement in capital structure

Rating Weaknesses

- Exposure to risks because of inconsistent and unpredictable tastes of audiences and intense competition
- Exposure to inherent risks in Indian motion pictures industry

Key Rating Sensitivity Factors

- Performance of motion pictures and gaming businesses
- Profitability of TV broadcasting division
- Improvement in capital structure
- Acquisition plans, and their funding mix

Financial Performance

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	9295	6640	6065
OPBDIT	1720	795	-711
PAT	1015	139	305
Tangible Networth	8219	7088	14558
Total Debt	8991	9626	4700
OPBDIT Margins (%)	18.4	11.9	-11.6
Net Profit Margins (%)	10.9	2.1	5.0
Interest cover (times)	4.63	1.73	0.64
NCA / Total Debt (times)	0.16	0.06	0.09
Gearing (times)	1.09	1.36	0.32
Total Debt / PBDIT (times)	NP	NP	NP

V.S.T. Tillers Tractors Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
12/May /2010	A+		A1+	Stable

Company Background

Set up in 1965 by Mr. Vellore Singaravelu Tiruvenkadasamy Mudaliar family, Bangalore-based V.S.T. Tillers Tractors Limited (VTTL) manufactures power tillers, tractors (18 horsepower), and diesel engines, and trades in other agricultural machinery.

VTTL is India's leading manufacturer of power tillers, with 65 per cent of its revenues coming from the same.

Rating Strengths

- Healthy market share in domestic power tiller business and sound operating capabilities
- Robust financial risk profile

Rating Weaknesses

- Working-capital-intensive operations
- Exposure to cyclicality inherent in tractor and tiller industry and adverse changes in government policy on subsidy

Outlook: Stable

CRISIL believes that VTTL will continue to benefit from its large market share and low debt levels over the medium term. The outlook may be revised to 'Positive' if VTTL's sales and margins increase considerably, and the company diversifies its revenue profile. Conversely, the outlook may be revised to 'Negative' in case the company undertakes large debt-funded capital expenditure (capex) programme, or its revenues decline because of adverse changes in government policy on subsidy.

Key Rating Sensitivity Factors

- Unfavourable changes in government policy on subsidies
- Large, debt-funded capex or acquisitions
- Performance of domestic tiller and tractor industry

Financial Performance

Rs. Million	31-Mar-09	31-Mar-08	31-Mar-07
Net Sales	2741	1886	1623
OPBDIT	456	245	223
PAT	289	144	126
Tangible Networth	911	669	555
Total Debt	6	25	30
OPBDIT Margins (%)	16.5	12.9	13.6
Net Profit Margins (%)	10.5	7.6	7.7
Interest cover (times)	56.37	34.59	48.27
NCA / Total Debt (times)	47.86	5.84	4.37
Gearing (times)	0.01	0.04	0.05
Total Debt / PBDIT (times)	0.01	0.09	0.13

Vadodara Municipal Corporation

Date	LT	FD	ST	Outlook
Current Rating				
	CCR A-			
Rating History				
29/Sep/2011	CCR A-			

Company Background

Vadodara Municipal Corporation (VMC) is governed by the Bombay Provincial Municipal Corporation Act, 1949. The corporation has an elected body with the municipal commissioner as the administrative head. VMC covers an area of 149 square kilometres and services a total population of about 1.6 million. It provides key civic services such as construction and maintenance of roads and bridges, water supply and sanitation, drainage and sewerage, solid waste management, health services, and primary education.

Rating Strengths

- Comfortable financial risk profile marked by low indebtedness
- Favourable economic base with high per capita income, well developed industrial base and high service potential
- Legal framework conducive for borrowing

Rating Weaknesses

- Inadequate service arrangements
- Slow pace in implementation of reforms
- Modest project execution capabilities
- Below-average property tax collection systems
- High level of establishment expenditure, resulting in limited flexibility to control costs

Key Rating Sensitivity Factors

- Extent and efficacy of compensatory mechanism in lieu of octroi
- Timely receipt of grants from Jawaharlal National Urban Renewal mission (JNNURM)
- Extent of debt-funded capital expenditure (capex)
- Impact of wage revisions

Financial Performance

Rs. Million	31-Mar-07	31-Mar-06	31-Mar-05
Revenue Receipts	3398	2849	2715
Operating Surplus	1072	767	736
Debt Charges	82	264	295
Revenue Surplus/ (Deficit)	991	503	440
Capital Receipts	194	180	79
Capital Surplus/ (Deficit)	-309	-231	-185
Overall Surplus/ (Deficit)	682	272	256
Net Debt	127	145	226

Own Revenues /Revenue Receipts (%)	90	91	91
Operating Surplus/ Revenue Receipts (%)	32	27	27
Revenue Surplus / Revenue Receipts (%)	29	18	16
Operating Surplus / Net Debt (%)	847	528	326
Net Debt/ Revenue Receipts (%)	4	5	8
DSCR (times)	13.1	2.9	2.5

Vaishali Traders Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
04/May/2011	A	-	-	Stable
01/Dec/2009	BBB+	-	-	Positive
31/Dec/2008	BBB+	-	-	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the financial and business risk profiles of 35 entities, including Vaishali Traders Pvt Ltd, together referred to as the Salarpuria-Sattva group. The group was founded by the late Mr. G. D. Salarpuria in 1986 in Kolkata. Currently, the group is being managed by Mr. Bijay Agarwal, who is the managing director.

The group has been involved in construction and development of real estate for the past 25 years. Salarpuria Properties Pvt Ltd and Sattva Developers Pvt Ltd are the two flagship companies of the group, with 33 other group entities actively engaged in the real estate business. The group has an ISO 9001:2000 certification. Till date, the group has completed 71 real estate projects (mainly commercial) in Bengaluru. The group is shifting its focus to residential real estate sector from being a predominantly commercial real estate player. It has also entered in Kolkata, Hyderabad, Mysore, Pune, and Visakhapatnam markets, by acquiring some parcel of land which it plans to develop over medium term.

Rating Strengths

- Healthy financial risk profile marked by comfortable capital structure and high financial flexibility because of large portfolio of leased assets
- Strong brand name, and good track record, in Bengaluru real estate market

Rating Weaknesses

- Revenue concentration in information technology (IT) and IT-enabled services (ITeS) sectors
- Risks and cyclicality inherent in real estate sector

Outlook: Stable

CRISIL believes that the Salarpuria-Sattva group will maintain its strong market position in the Bengaluru real estate market, given its established track record. The outlook may be revised to 'Positive' in case of a significant increase in the group's revenues and geographic diversification, leading to improvement in its business risk profile. Conversely, the outlook may be revised to 'Negative' if the saleability of the group's projects is below expectation, resulting in weakening in its financial risk profile, or if the group makes sizeable investments in unrelated businesses.

Key Rating Sensitivity Factors

- Significant increase in debt funding of projects
- Investments in unrelated businesses
- Successful completion of projects

Financial Performance (Consolidated)

Rupees Billion	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	1.04	3.27	0.57
OPBDIT	2.12	2.93	1.62
PAT	1.03	1.57	0.67
Tangible Networth	13.17	12.14	10.33
Total Debt	4.47	4.89	7.14
OPBDIT Margins (%)	70.0	56.9	70.0
Net Profit Margins (%)	34.1	30.5	28.8
Interest cover (times)	4.3	4.9	2.4
NCA / Total Debt times)	0.32	0.43	0.12
Gearing (times)	0.34	0.4	0.69
Total Debt / PBDIT (times)	3.0	4.3	3.5

Vardhman Nisshinbo Garments Company Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		**A1**	**Stable**
Rating History				
09/May/2011	**A+**	**-**	**A1**	**Stable**

Company Background:

Vardhman Nisshinbo Garments Company Limited (VNGCL) is a 51:49 joint venture (JV) between Vardhman Textiles Ltd (VTXL; rated 'CRISIL AA/FAA+/Stable/CRISIL A1+') and Nisshinbo Textiles Inc, Japan (Nisshinbo, a subsidiary of Nisshinbo Holdings Inc, Japan). VNGCL was incorporated in April 2009 as Vardhman Texgarments Ltd, for manufacturing readymade shirts. Its name was changed to the current one during 2010-11. VNGCL commenced operations in March 2011. The company's manufacturing facility in Ludhiana (Punjab) has capacity to manufacture 0.9 million shirts per annum; it intends to increase its capacity to 1.8 million pieces per annum by the third quarter of 2011-12.

VTXL is one of India's leading textile companies, with diverse operations across sectors (yarn, fabric, sewing threads, fibre, and special alloys). Vardhman Holdings, the promoter company of VTXL, began operations in 1965, with an installed capacity of 6000 spindles. In 2004-05, Vardhman Holdings' textile operations were transferred to VTXL.

Nisshinbo is one the leading players in the Japanese textile industry. Nisshinbo is into development, manufacture, processing, trading and import/ export of thread, woven fabric, non-woven fabric, apparel, industrial textile materials and other fiber products. The Nisshibo group also has presence in other industries including automobile brakes, papers, precision instruments, chemicals, electronics and real estate. The Vardhman group already has a technological tie up with Nisshinbo for improving its cloth quality.

Rating Strengths

- Managerial and financial support from VTXL
- Operational and marketing support from Nisshinbo

Rating Weaknesses

- Exposure to risks related to nascent stage of operations
- Moderate financial profile

Outlook: Stable

CRISIL believes that VNGCL will stabilise its operations in the near term and will continue to receive technical support from Nisshinbo, and financial and managerial support from VTXL. VNGCL's debt protection metrics are expected to improve over the medium term because of stabilisation of its operations resulting in improvement in its profitability. The outlook may be revised to 'Positive' if there is more-than-expected and sustained improvement in VNGCL's revenues and profitability, leading to its increased strategic importance to VTXL. Conversely, the outlook may be revised to 'Negative' if VNGCL delays in stabilising its operations, receives lesser-than-expected support from VTXL, or if its capital structure weakens because of larger-than-expected debt-funded capital expenditure.

Key Rating Sensitivity Factors

- Change in the extent of support from VTXL
- Change in the rating on VTXL
- Ability to pass on fluctuation in raw material cost in international market

Financial Performance (Not Published)

Varroc Engineering Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
26/Jun/2011	A	-	A1	Stable
20/Jan/2011	BBB+	-	A2	Stable
19/May/2010	BBB-	-	A3	Stable
10/Dec/2008	BBB-	-	A3	Negative

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Varroc Engineering Pvt Ltd (VEPL), Durovalves India Pvt Ltd (Durovalves), Varroc Polymers Pvt Ltd (VPPL), Varroc Exhaust Systems Pvt Ltd (VESPL), Varroc Elastomers Pvt Ltd (VELPL) and Esex Forging, Italy; collectively referred as the Varroc group, herein.

The Varroc group commenced operations in 1990 with the manufacture of plastic-injection-moulded components for supply to Bajaj Auto Ltd (Bajaj Auto, rated 'CRISIL AAA/FAAA/Stable/CRISIL A1+') in Aurangabad (Maharashtra). The group has since diversified its product portfolio; it now offers a variety of electrical, polymer-based engineering assemblies and sub-assemblies. The group comprises five companies operating in India, organised under two divisions - VEPL and its subsidiaries, VESPL, and Durovalves, which are in the electrical and metallic components business; and VPPL and its subsidiary, VELPL, which manufacture polymer-based components. The group operates 19 plants in six locations across India.

In 2006-07, the group set up VEHBV, a special purpose vehicle, which acquired a majority stake in the IMES group, which had two plants in Europe, one each in Italy and Poland. The IMES group closed its plant in Poland in 2009-10 and is in advanced stage of negotiations with buyers to sell off the land. The Varroc group has made a provision for the diminution of the investments of Rs.1.3 billion made in IMES group in 2009-10. VEPL set up Esex Forging, Italy in April 2011, to acquire the assets and business from an existing company for Rs.200 million. The Varroc group is promoted by the Jain family and is currently managed by Mr. Tarang Jain, who is the nephew of Mr. Rahul Bajaj, the chairman of Bajaj Auto.

Rating Strengths

- Established track record in auto components business and diversified product portfolio
- Healthy financial risk profile

Rating Weakness

- High customer concentration in revenue profile

Outlook: Stable

CRISIL believes that the Varroc group will maintain its market position in the auto component business over the medium term on the back of its diversified product portfolio, and its established relationship with Bajaj Auto. The outlook may be revised to 'Positive' if the group diversifies its customer profile or there is an improvement in group's operating margin, while maintaining its revenue growth. Conversely, the outlook may be revised to 'Negative' if the Varroc group provides additional funding support to the IMES group, or if in case of a substantial decline in the operating margin or there is a deterioration in its financial risk profile in case of large debt-funded capital expenditure (capex) or acquisition.

Key Rating Sensitivity Factors

- Extent of funding support to IMES group
- Extent and funding mix of future capex
- Working capital management
- Maintenance of operating margin amid volatile raw material prices

Financial Performance (Not Published)

Varroc Exhaust Systems Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
26/Jun/2011	A	-		Stable
20/Jan/2011	BBB+	-		Stable
19/May/2010	BBB-	-		Stable
10/Dec/2008	BBB-	-	A3	Negative

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Varroc Engineering Pvt Ltd (VEPL), Durovalves India Pvt Ltd (Durovalves), Varroc Polymers Pvt Ltd (VPPL), Varroc Exhaust Systems Pvt Ltd (VESPL), Varroc Elastomers Pvt Ltd (VELPL) and Esex Forging, Italy; collectively referred as the Varroc group, herein.

The Varroc group commenced operations in 1990 with the manufacture of plastic-injection-moulded components for supply to Bajaj Auto Ltd (Bajaj Auto, rated 'CRISIL AAA/FAAA/Stable/CRISIL A1+') in Aurangabad (Maharashtra). The group has since diversified its product portfolio; it now offers a variety of electrical, polymer-based engineering assemblies and sub-assemblies. The group comprises five companies operating in India, organised under two divisions - VEPL and its subsidiaries, VESPL, and Durovalves, which are in the electrical and metallic components business; and VPPL and its subsidiary, VELPL, which manufacture polymer-based components. The group operates 19 plants in six locations across India.

In 2006-07, the group set up VEHBV, a special purpose vehicle, which acquired a majority stake in the IMES group, which had two plants in Europe, one each in Italy and Poland. The IMES group closed its plant in Poland in 2009-10 and is in advanced stage of negotiations with buyers to sell off the land. The Varroc group has made a provision for the diminution of the investments of Rs.1.3 billion made in IMES group in 2009-10. VEPL set up Esex Forging, Italy in April 2011, to acquire the assets and business from an existing company for Rs.200 million. The Varroc group is promoted by the Jain family and is currently managed by Mr. Tarang Jain, who is the nephew of Mr. Rahul Bajaj, the chairman of Bajaj Auto.

Rating Strengths

- Established track record in auto components business and diversified product portfolio
- Healthy financial risk profile

Rating Weakness

- High customer concentration in revenue profile

Outlook: Stable

CRISIL believes that the Varroc group will maintain its market position in the auto component business over the medium term on the back of its diversified product portfolio, and its established relationship with Bajaj Auto. The outlook may be revised to 'Positive' if the group diversifies its customer profile or there is an improvement in group's operating margin, while maintaining its revenue growth. Conversely, the outlook may be revised to 'Negative' if the Varroc group provides additional funding support to the IMES group, or if in case of a substantial decline in the operating margin or there is a deterioration in its financial risk profile in case of large debt-funded capital expenditure (capex) or acquisition.

Key Rating Sensitivity Factors

- Extent of funding support to IMES group
- Extent and funding mix of future capex
- Working capital management
- Maintenance of operating margin amid volatile raw material prices

Financial Performance (Not Published)

Varroc Polymers Pvt Ltd

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
26/Jun/2011	A	-	A1	Stable
20/Jan/2011	BBB+	-	A2	Stable
19/May/2010	BBB-	-	A3	Stable
10/Dec/2008	BBB-	-	A3	Negative

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Varroc Engineering Pvt Ltd (VEPL), Durovalves India Pvt Ltd (Durovalves), Varroc Polymers Pvt Ltd (VPPL), Varroc Exhaust Systems Pvt Ltd (VESPL), Varroc Elastomers Pvt Ltd (VELPL) and Esex Forging, Italy; collectively referred as the Varroc group, herein.

The Varroc group commenced operations in 1990 with the manufacture of plastic-injection-moulded components for supply to Bajaj Auto Ltd (Bajaj Auto, rated 'CRISIL AAA/FAAA/Stable/CRISIL A1+') in Aurangabad (Maharashtra). The group has since diversified its product portfolio; it now offers a variety of electrical, polymer-based engineering assemblies and sub-assemblies. The group comprises five companies operating in India, organised under two divisions - VEPL and its subsidiaries, VESPL, and Durovalves, which are in the electrical and metallic components business; and VPPL and its subsidiary, VELPL, which manufacture polymer-based components. The group operates 19 plants in six locations across India.

In 2006-07, the group set up VEHBV, a special purpose vehicle, which acquired a majority stake in the IMES group, which had two plants in Europe, one each in Italy and Poland. The IMES group closed its plant in Poland in 2009-10 and is in advanced stage of negotiations with buyers to sell off the land. The Varroc group has made a provision for the diminution of the investments of Rs.1.3 billion made in IMES group in 2009-10. VEPL set up Esex Forging, Italy in April 2011, to acquire the assets and business from an existing company for Rs.200 million. The Varroc group is promoted by the Jain family and is currently managed by Mr. Tarang Jain, who is the nephew of Mr. Rahul Bajaj, the chairman of Bajaj Auto.

Rating Strengths

- Established track record in auto components business and diversified product portfolio
- Healthy financial risk profile

Rating Weakness

- High customer concentration in revenue profile

Outlook: Stable

CRISIL believes that the Varroc group will maintain its market position in the auto component business over the medium term on the back of its diversified product portfolio, and its established relationship with Bajaj Auto. The outlook may be revised to 'Positive' if the group diversifies its customer profile or there is an improvement in group's operating margin, while maintaining its revenue growth. Conversely, the outlook may be revised to 'Negative' if the Varroc group provides additional funding support to the IMES group, or if in case of a substantial decline in the operating margin or there is a deterioration in its financial risk profile in case of large debt-funded capital expenditure (capex) or acquisition.

Key Rating Sensitivity Factors

- Extent of funding support to IMES group
- Extent and funding mix of future capex
- Working capital management
- Maintenance of operating margin amid volatile raw material prices

Financial Performance (Not Published)

Varun Beverages Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
13/Sep /2011	A		A1	Stable
18/Dec/2009	A-		A2+	Stable

Company Background

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of Varun Beverages Ltd (VBL), VBL's parent, Varun Beverages International Ltd (VBIL), and fellow subsidiaries, Varun Beverages Lanka (Pvt) Ltd (VBSL), Varun Beverages Morocco SA (VBM), and Varun Beverages (Nepal) Pvt Ltd. (VBN), collectively referred to as the Varun Beverages group.

CRISIL has treated preference shares of Rs.770 million issued by VBL to PepsiCo Holdings India Pvt Ltd (Pepsi), along with dividend of Rs.790 million (including dividend accrued) as equity. This is because of a recent agreement signed by VBL with Pepsi, as per which Pepsi will convert its 26 per cent holding stake in VBL into equity.

VBL was promoted by Mr. Ravi Kant Jaipuria in 1995 to cater to the bottling operations of Pepsi. VBL manufactures and distributes sweetened aerated water (for soft drinks), non-sweetened aerated water (soda), packaged drinking water, and packaged juices. VBL has exclusive distribution rights of Pepsi's products in seven territories in India: Rajasthan, West Bengal, half of Haryana, central and western Uttar Pradesh, northern Madhya Pradesh, and East Delhi. Over time, the promoters have expanded the franchisee bottling operations of Pepsi in India through associate entity, VBIL (formerly, Goa Bottling Company Ltd), and have added the territories of Goa, three districts of Maharashtra and all seven states in North-East India (post merger of North East Pure Drinks Pvt Ltd). VBL and VBIL are jointly the largest third-party bottler for Pepsi in India, and have 11 integrated plants in India. The Varun Beverages group's promoters have also added international territories, and have bottling operations in Nepal under VBN, in Sri Lanka under VBSL, and recently in Morocco under VBM.

Rating Strengths

- Leadership in Pepsi's franchisee bottling operations in India, with increasing geographical diversity and strong support from Pepsi
- Moderate financial risk profile

Rating Weaknesses

- Aggressive growth strategy, leading to high gearing
- High degree of vulnerability to adverse government regulations

Outlook: Stable

CRISIL believes that the Varun Beverages group will maintain its leadership position as a franchisee for, and its established relationship with Pepsi over the medium term. CRISIL also believes that the group will maintain its improved capital structure and fund its acquisitions over the near term partially through equity infusion. The outlook may be revised to 'Positive' in case of further improvement in the group's gearing and cash accruals vis-a-vis its large debt obligations. Conversely, the outlook may be revised to 'Negative' if there is significant deterioration in the group's capital structure due to non-conversion of preference shares into equity by Pepsi, if the group undertakes large, debt-funded capital expenditure (capex) programme or acquisition, or if it significantly increases its exposure to associate entities.

Key Rating Sensitivity Factors

- Timely conversion of preference shares and dividend thereon by Pepsi into equity
- Future capex/acquisitions and their funding mix
- Support offered to other group companies
- Any regulatory issues

Financial Performance

Rs. Million	31-Dec-10	31-Dec-09	31-Dec-08
Net Sales	9,703	7,512	4,483
OPBDIT	1,350	995	746
PAT	248	222	219
Tangible Networth	2555	2320	2152
Total Debt	4870	3548	2373
OPBDIT Margins (%)	13.8	12.7	16.0
Net Profit Margins (%)	2.5	2.8	4.7
Interest cover (times)	2.73	3.43	4.19
NCA / Total Debt (times)	0.15	0.16	0.19
Gearing (times)	1.91	1.53	1.10
Total Debt / PBDIT (times)	3.64	3.48	3.11

Vasanth & Co

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
27/Dec/2010	A-	-	-	Stable

Company Background:

Established as a proprietorship concern in 1978 in Tamil Nadu (TN) by Mr. H Vasanthakumar, Vasanth & Co. (VC) is a dealer of consumer electronics, home appliances and mobile phones, with 48 showrooms. It has showrooms all across TN and one each in Bengaluru (Karnataka) and Pondicherry. VC is one of the leading retail chains in TN. The promoter is also the owner of Vasanth & Co Media Network Pvt Ltd (VMPL), which owns the Tamil entertainment channel Vasanth TV. VMPL was formed in 2008 and is a subsidiary of VC. VMPL's scale of operations is very small.

Rating Strengths

- Above-average financial risk profile and efficient working capital management
- Established market position in consumer electronics and home appliances retail business in TN

Rating Weakness

- Geographical concentration in revenue profile and exposure to intense industry competition

Outlook: Stable

CRISIL believes that VC will continue to benefit over the medium term from its established market position as a retailer of consumer durables in TN, and its above-average financial risk profile. The outlook may be revised to 'Positive' if VC successfully increases its scale of operations, leading to significant growth in revenues and improvement in margins. Conversely, the outlook may be revised to 'Negative' in case of a slowdown in the industry or an increase in competition, leading to deterioration in cash accruals, or if the firm undertakes any large, debt-funded capital expenditure (capex) programme, impacting its capital structure, or significant withdrawals by the promoter or investments in other promoter held entities.

Key Rating Sensitivity Factors

- Capex plans and their funding mix
- Working capital management
- Advances/support to group companies
- Sustenance of profit levels
- Succession planning

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3415	2990	2988
OPBDIT	108	90	90
PAT	94	78	78
Tangible Networth	316	258	185
Total Debt	107	28	6

OPBDIT Margins (%)	3.0	2.8	2.7
Net Profit Margins (%)	2.6	2.5	2.4
Interest cover (times)	58.33	67.78	54.96
NCA / Total Debt (times)	1.00	3.15	13.69
Gearing (times)	0.34	0.11	0.03
Total Debt / PBDIT (times)	0.98	0.31	0.07

Veljan Denison Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
08/ Oct/2010	A-		A2+	Stable

Company Background

Veljan Denison Ltd (VDL), set up in 1972 by Mr. V C Janardan Rao, manufactures hydraulic vane pumps, motors, valves, and power systems. The company's manufacturing unit at Hyderabad has capacity to manufacture 120,000 hydraulic components. The company went public in the 1980s and is currently listed on the Bombay Stock Exchange. Currently, Mr Janardan Rao is the chairman of the company.

Rating Strengths

- Robust financial risk profile
- Extensive experience and established standing of the promoter in hydraulic component industry

Rating Weakness

- Exposure to risks related to modest scale of operations and intense competition in the hydraulic components industry

Outlook: Stable

CRISIL believes that VDL will maintain its credit profile on the back of its established market position and robust financial risk profile; the company will continue to benefit from its promoter's industry experience, over the medium term. The outlook may be revised to 'Positive' if VDL increases its revenues substantially, while maintaining its profitability and debt protection metrics. Conversely, the outlook may be revised to 'Negative' if the company's revenues decline sharply, or debt protection metrics deteriorate significantly, either because of decline in profitability or large debt-funded capital expenditure (capex) programme.

Key Rating Sensitivity Factors

- Large debt-funded capex
- Significant slowdown in offtake

Financial Performance

Rs. Million	30-Sep-09	30-Sep-08	30-Sep-08
Net Sales	412	630	500
OPBDIT	126	176	170
PAT	47	85	92
Tangible Networth	399	363	292
Total Debt	133	193	95
OPBDIT Margins (%)	30.2	28.0	34.0
Net Profit Margins (%)	11.4	13.5	18.4
Interest cover (times)	6.90	11.43	21.69
NCA / Total Debt (times)	0.47	0.48	0.98
Gearing (times)	0.33	0.53	0.33
Total Debt / PBDIT (times)	1.04	1.09	0.56

Venture Infotek Global Private Limited

Date	LT	FD	ST	Outlook/ Rating Watch
Current Rating				
	A-		A2+	Stable
Rating History				
02/Dec/2010	A-	-	A2+	Stable; removed from Rating Watch with Positive implications
03/Sep/2010	BBB-	-	A3	Placed on Rating Watch with Positive implications
14/Jan/2010	BBB-	-	A3	Positive
12/Jan/2009	BBB-	-	A3	Stable

Company Background:

Set up in January 1997 by Mr. Dhruv Khaitan and Mr. Piyush Khaitan, Venture Infotek Global Private Ltd (Venture Infotek) undertakes third-party transaction processing of electronic payments made through credit and debit cards. The company was wholly acquired by Atos Origin, (Atos), a French information technology services firm, in August 2010.

Venture Infotek also operates in the loyalty cards business. The company handles the Petro Card Loyalty programme for its major client, Bharat Petroleum Corporation Ltd (BPCL; rated 'CRISIL AAA/Negative/CRISIL A1+'). Venture Infotek also provides back office support services to banks in the cards-issuing business. DEI Tech Pvt Ltd (DEI Tech), a company engaged in personalisation of credit and debit cards, was amalgamated with Venture Infotek, with effect from April 1, 2007

Rating Strengths

- Benefits of operational and technological support to be extended by Atos
- Established market position in third-party transaction-processing business in India
- Healthy operating capability, supported by strong infrastructure in domestic market
- Robust financial risk profile

Rating Weaknesses

- Exposure to risks relating to intense competition from international players
- Customer concentration in revenue profile

Outlook: Stable

CRISIL believes that Venture Infotek will maintain its business risk profile over the medium term, supported by established market position in the transaction-processing segment, and generate stable cash accruals over the medium term. The outlook may be revised to 'Positive' if there is a significant and sustained increase in Venture Infotek's revenues and profitability. Conversely, the outlook may be revised to 'Negative' if the company undertakes any significant debt-funded capital expenditure (capex), thereby weakening its capital structure.

Key Rating Sensitivity Factors

- Sustenance of revenue growth rate and operating profitability
- Extent, phasing, and funding mix of capex

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1125	879	744
OPBDIT	168	128	125
PAT	90	57	21
Tangible Networth	359	407	350
Total Debt	125	162	107

OPBDIT Margins (%)	14.6	14.3	16.7
Net Profit Margins (%)	7.8	6.4	2.8
Interest cover (times)	9.82	10.4	7.92
NCA / Total Debt (times)	1.46	0.86	1.04
Gearing (times)	0.35	0.40	0.31
Total Debt / PBDIT (times)	0.62	1.03	0.83

VIP Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Stable
Rating History				
11/Feb/2011	A+	-	A1	Stable
30/Dec/2008	A-**	-	A2+**	Stable

*** Initial Bank loan rating assigned*

Company Background:

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of VIP Industries Ltd (VIP) and its wholly owned subsidiaries, Carlton Travel Goods Ltd (Carlton), and Blow Plast Retail Ltd. (BPRL).

VIP belongs to the Dilip Piramal group, and was incorporated in 1968. The company manufactures hard luggage and trades in soft luggage. It also has a limited presence in the moulded furniture segment through its Moderna range. After 2003, VIP suspended operations at several plants and offered voluntary retirement to a large part of its workforce, resulting in a reduction in its manpower to less than 1000 at present from about 9000 in 2003. In 2006-07, Blow Plast Ltd, the erstwhile holding company of VIP, was merged with VIP. Aristocrat Luggage Ltd (Aristocrat), another Dilip Piramal group luggage company, was amalgamated with VIP in 2007-08.

At present, VIP has consolidated its moulded luggage manufacturing operations in two facilities, at Haridwar (Uttarakhand) and Nashik (Maharashtra), and sources its soft luggage requirements from vendors in China. The company operated in the UK earlier through Carlton, a wholly owned subsidiary acquired in 2004. However, from the fourth quarter of 2010-11, all sales of Carlton are being recorded in VIP's books. Recently, the company has also introduced the Carlton brand in India to compete other premium barnds. In August 2007, VIP entered into an agreement to be the sole manufacturer globally of Delsey SA's (Delsey's) hard luggage range; Delsey is the world's second-largest luggage company.

Rating Strengths

- Sustained market leadership and strong brand in domestic luggage industry
- Focus on high-margin products to help improve operating margin
- Strong financial risk profile

Rating Weaknesses

- Dependence on Chinese imports in the soft-luggage segment
- Highly working-capital-intensive operations

Outlook: Stable

CRISIL believes that VIP will maintain the improvement in its business risk profile, supported by its leadership position in the domestic luggage segments, continuous improvement in overseas subsidiary, and healthy operating efficiencies. Its financial risk profile is expected to improve further, as its cash accruals are likely to be more than sufficient to fund its capex plans, resulting in lower debt levels. The outlook may be revised to 'Positive' in case VIP significantly increases its market share, resulting in more-than-expected improvement in its operating income and margins, while sustaining its healthy financial risk profile. Conversely, the outlook may be revised to 'Negative' in case its debt protection metrics deteriorate, due to less-than-expected profitability or an increase in debt levels.

Key Rating Sensitivity Factors

- Maintenance of market leadership in domestic luggage industry
- Adverse movements in raw material prices and rentals of VIP outlets
- Exposure to group companies

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	6,621	5,562	5,668
OPBDIT	919	156	544
PAT	484	(143)	227
Tangible Networth	1,365	819	1,079
Total Debt	1,037	1,376	1,433
OPBDIT Margins (%)	13.7	2.7	9.4
Net Profit Margins (%)	7.2	(2.5)	3.9
Interest cover (times)	6.72	0.97	4.07
NCA / Total Debt (times)	0.57	0.05	0.25
Gearing (times)	0.76	1.68	1.33
Total Debt / PBDIT (times)	NP	NP	NP

Virchow Laboratories Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Stable
Rating History				
22/Jul/2010	A+		A1+	Stable
10/Aug/2009	A+		A1	Stable

Company Background:

For arriving at the ratings, CRISIL has consolidated the financial risk profiles of Virchow Laboratories Ltd. (Virchow Labs) and Virchow Labs' subsidiaries, Andhra Organics Limited, Virchow Healthcare Pvt Ltd, Virchow Drugs Pvt Ltd, and Virchow Biotech Ltd, (proposed to become a subsidiary) together referred to as the Virchow labs (consolidated entity).

Set up in January 1982, Virchow Labs is the flagship company of the Virchow group, promoted by Dr. N Venkata Reddy, Mr. M Narayana Reddy, Mr. L V Subba Reddy, and Mr. Ravindra Reddy, and their families. Virchow Labs is the largest producer of Sulfamethoxazole (SMX - an API used in antibiotics) in the world with an installed capacity of 5000 MT per annum. The Virchow labs plant is located in a spread of 16 acres in Hyderabad. The facility is US Food and Drug Administration (USFDA) approved.

Rating Strengths

- Promoters' experience in pharmaceutical industry
- Strong financial risk profile with low gearing and healthy networth

Rating Weaknesses

- Exposure to risks relating to product concentration in revenue profile
- Working capital-intensive operations

Outlook: Stable

CRISIL believes that the Virchow group will maintain its strong financial risk profile, given the absence of any major debt-funded capital expenditure plan for the medium term. The outlook may be revised to 'Positive' if the group increases the diversification of its revenue profile and scales up its operations. Conversely, the outlook may be revised to 'Negative' if the group's revenues and margins decline significantly.

Key Rating Sensitivity Factors

- Ability to diversify revenue streams
- Fluctuations in foreign exchange rates
- Acquisition plans over the medium term

Financial Performance

Rupees Million	31-Mar-09	31-Mar-08	31-Mar-07
Net Sales	3789	3091	3445
OPBDIT	672	456	767
PAT	409	165	445
Tangible Networth	2033	1665	1312
Total Debt	670	1030	1011

	31-Mar-09	31-Mar-08	31-Mar-07
OPBDIT Margins (%)	17.2	14.2	21.6
Net Profit Margins (%)	10.5	5.1	12.5
Interest cover (times)	21.79	7.03	11.78
NCA / Total Debt (times)	0.72	0.24	0.34
Gearing (times)	0.33	0.62	0.77
Total Debt / PBDIT (times)	0.96	2.24	1.30

Visakha Hospitals and Diagnostics Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+			Stable
Rating History				
24/Apr/2009	A+	-	-	Stable

Company Background:

For arriving at its ratings, CRISIL has combined the financials of Quality Care India Ltd (QCIL), Visakha Hospitals and Diagnostics Ltd (VHDL), Ganga Care Hospital Ltd (GCHL), Ramakrishna Care Medical Sciences Pvt Ltd (RCMSPL), Care Institute of Medical Sciences Ltd (Care Institute), Galaxy Care Laparoscopy Institute Pvt Ltd (GCLIPL), Quality Care Health Services Pvt Ltd (QCHSPL), Quality Care Pharma Trading Pvt Ltd (QCPTPL), and Care Health Clinics Pvt Ltd (CHCPL), collectively referred to as the Care group. QCIL holds a majority stake in each of the companies (except in RCMSPL).

The Care group was set up in 1997 by cardiologists, Dr. B Soma Raju and Dr. N Krishna Reddy. The Care group's first venture was the Care Heart Centre at Hyderabad, with a capacity of 100 beds. Over the years, the group has spread to various locations across India; its facilities have a combined capacity of 1613 beds. The group has a presence in Vizag, Surat, Nagpur, Pune, Raipur and Bhubaneswar, besides its significant presence in Hyderabad. The group provides tertiary healthcare services in multi-specialty areas, with primary focus on cardiac healthcare, through healthcare centres under QCIL, VHDL, GCHL, and RCMSPL. GCHL operates the hospital in Nagpur, RCMSPL in Raipur and VHDL in Vizag. The remaining hospitals are under QCIL. QCIL holds 100 per cent stake in VHDL, 61.69 per cent in GCHL, and 72.72 per cent in Care Institute. RCMSPL, promoted by Dr. Sandeep Dave, is a Raipur-based hospital which began operations in 1998. On April 6, 2007, the Care group acquired and continues to hold 50 per cent stake in RCMSPL. In 2008-09, QCIL acquired 57.86 per cent of the equity share capital of GCLIPL.

Rating Strengths

- Established market position
- Healthy operating capabilities
- Healthy financial risk profile

Rating Weaknesses

- Exposure to competition in healthcare industry
- Below Average performance of some of the group's hospitals
- Exposure to risks related to delays in commencement and stabilisation of commercial operations at its planned capacity additions

Outlook:Stable

CRISIL believes that the Care group will maintain its business risk profile over the medium term, supported by its strong revenue growth as a result of its significant capacity expansion. While the group is exposed to risks related to project commercialisation and to losses in some of its subsidiaries, CRISIL believes that the group's gearing and debt protection metrics will remain comfortable over the medium term. The outlook may be revised to 'Positive' if the group's revenues and operating margin improve significantly with timely completion of its capacity expansion project and turnaround in its loss-making entities. Conversely, the outlook may be revised to 'Negative' if the group undertakes a larger-than-expected debt-funded capital expenditure (capex) programme, thereby weakening its capital structure, or if its business risk profile is adversely impacted by delay in stabilisation of operations at its new facilities.

Key Rating Sensitivity Factors

- Capex and acquisition plans, and their funding mix
- Operational stability of new projects
- Performance of loss making hospitals

Financial Performance (Consolidated)

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	3817	3256	2499
OPBDIT	417	373	264
PAT	49	98	(4)
Tangible Networth	1602	1588	1499
Total Debt	1153	1223	1128

OPBDIT Margins (%)	10.9	11.4	10.5
Net Profit Margins (%)	1.3	3.0	(0.2)
Interest cover (times)	3.38	2.93	2.64
NCA / Total Debt (times)	0.19	0.18	0.15
Gearing (times)	0.72	0.77	0.75
Total Debt / PBDIT (times)	2.71	3.13	3.93

Volkswagen Group Sales India Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Positive
Rating History				
30/Nov/2011	A+	-	A1	Positive
16/Jul/2009	A**	-	-	Stable

*** Initial Bank loan rating assigned*

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Volkswagen AG (rated 'A-/Stable/A-2' by Standard & Poor[S&P])'s Indian subsidiaries –Volkswagen India Pvt Ltd (VIPL, rated 'CRISIL A+/Positive/CRISIAL A1'), Volkswagen Group Sales India Pvt Ltd (VGSIPL) and Skoda Auto India Pvt Ltd (SAIPL, rated 'CRISIL A+/Positive'), together referred to as Volkswagen group India.

Volkswagen AG, headquartered in Wolfsburg, Germany, is the second-largest carmaker in the world and the largest carmaker in Europe. The company manufactures passenger cars, light commercial vehicles (LCVs), and trucks; it also provides financial services, which include dealer and customer financing, direct banking, insurance, leasing, and fleet operation. The company's passenger cars are sold under the Volkswagen, Audi, Lamborghini, Skoda, SEAT, Bentley, and Bugatti brands, and LCVs and trucks under the Scania brand.

Volkswagen AG marked its entry into the Indian markets with the launch of Skoda brands in 1999 through SAIPL. SAIPL, incorporated in December 1999, is a subsidiary of Skoda Auto A.S Czech Republic, which is, in turn, a wholly-owned subsidiary of Volkswagen AG. VIPL and VGSIPL were set up in 2007 through which Volkswagen and Audi brands were launched in the Indian markets. VIPL's manufacturing plant in Pune has a capacity of 110,000 vehicles per annum; it was established at a capex of Rs.39 billion. This plant produces Polo, Vento of the Volkswagen brand and Fabia, Rapid for Skoda brands.

VGSIPL is the sales and marketing arm for Volkswagen and Audi brands. The company also imports Audi's A8, R8, and TT models on a fully-built-unit (FBU) basis, to sell directly to dealers. VGSIPL has around 100 dealers. SAIPL has an assembling facility in Aurangabad (Maharashtra); it assembles Skoda brands (Octavia/Laura, Yeti and Superb); Volkswagen brands (Passat and Jetta); and Audi brands (A4, A6); it has a capacity to produce 41,180 cars per annum. SAIPL sells the Skoda brands and it has around 60 dealers.

Rating Strengths

- Strong business and financial support provided by Volkswagen AG
- Strong operational performance of Volkswagen brands in India

Rating Weaknesses

- Modest financial risk profile
- Exposure to intense competition in the domestic passenger car industry

Outlook: Positive

CRISIL expects Volkswagen group India's financial risk profile to witness improvement over the medium term due to expected financial support from the parent. The ratings may be upgraded if Volkswagen group India receives the financial support from the parent as per CRISIL expectations. On the contrary the outlook may be revised to 'Stable', if the expected financial support does not happen or if there is a change in the parent's credit risk profile.

Key Rating Sensitivity Factors

- Extent, timing and mode of Volkswagen AG's support
- S&P's rating on Volkswagen AG
- Success of cost rationalisation initiatives

Financial Performance (Not Published)

Volkswagen India Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1	Positive
Rating History				
30/Nov/2011	A+	-	A1	Positive
16/Jul/2009	A**	-	A1**	Stable

*** Initial Bank loan rating assigned*

Company Background:

For arriving at the ratings, CRISIL has combined the business and financial risk profiles of Volkswagen AG (rated 'A-/Stable/A-2' by Standard & Poor[S&P])'s Indian subsidiaries –Volkswagen India Pvt Ltd (VIPL), Volkswagen Group Sales India Pvt Ltd (VGSIPL, rated 'CRISIL A+/Positive/CRISIL A1') and Skoda Auto India Pvt Ltd (SAIPL, rated 'CRISIL A+/Positive'), together referred to as Volkswagen group India.

Volkswagen AG, headquartered in Wolfsburg, Germany, is the second-largest carmaker in the world and the largest carmaker in Europe. The company manufactures passenger cars, light commercial vehicles (LCVs), and trucks; it also provides financial services, which include dealer and customer financing, direct banking, insurance, leasing, and fleet operation. The company's passenger cars are sold under the Volkswagen, Audi, Lamborghini, Skoda, SEAT, Bentley, and Bugatti brands, and LCVs and trucks under the Scania brand.

Volkswagen AG marked its entry into the Indian markets with the launch of Skoda brands in 1999 through SAIPL. SAIPL, incorporated in December 1999, is a subsidiary of Skoda Auto A.S Czech Republic, which is, in turn, a wholly-owned subsidiary of Volkswagen AG. VIPL and VGSIPL were set up in 2007 through which Volkswagen and Audi brands were launched in the Indian markets. VIPL's manufacturing plant in Pune has a capacity of 110,000 vehicles per annum; it was established at a capex of Rs.39 billion. This plant produces Polo, Vento of the Volkswagen brand and Fabia, Rapid for Skoda brands.

VGSIPL is the sales and marketing arm for Volkswagen and Audi brands. The company also imports Audi's A8, R8, and TT models on a fully-built-unit (FBU) basis, to sell directly to dealers. VGSIPL has around 100 dealers. SAIPL has an assembling facility in Aurangabad (Maharashtra); it assembles Skoda brands (Octavia/Laura, Yeti and Superb); Volkswagen brands (Passat and Jetta); and Audi brands (A4, A6); it has a capacity to produce 41,180 cars per annum. SAIPL sells the Skoda brands and it has around 60 dealers.

Rating Strengths

- Strong business and financial support provided by Volkswagen AG
- Strong operational performance of Volkswagen brands in India

Rating Weaknesses

- Modest financial risk profile
- Exposure to intense competition in the domestic passenger car industry

Outlook: Positive

CRISIL expects Volkswagen group India's financial risk profile to witness improvement over the medium term due to expected financial support from the parent. The ratings may be upgraded if Volkswagen group India receives the financial support from the parent as per CRISIL expectations. On the contrary the outlook may be revised to 'Stable', if the expected financial support does not happen or if there is a change in the parent's credit risk profile.

Key Rating Sensitivity Factors

- Extent, timing and mode of Volkswagen AG's support
- S&P's rating on Volkswagen AG
- Success of cost rationalisation initiatives

Financial Performance (Not Published)

Vossloh Beekay Castings Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A		A1	Stable
Rating History				
30/Apr/2010	A	-	A1	Stable

Company Background:

Incorporated by the Beekay group of Bhilai (Chhattisgarh) in 1974, Vossloh Beekay Castings Ltd (VBCL, formerly, Beekay Engineering and Castings Pvt Ltd [BECPL]) manufactured castings that were used in steel, cement, and other industries. Subsequently, in 2000, it shifted focus to manufacturing railway crossings. In 2005, the Vossloh group of Germany, through its two arms: Vossloh Cogifer SA, France (VCSA), and Amurrio Ferrocarrily Equipos SA, Spain (AFE), acquired a controlling stake in the company and the name was changed to reflect its new parentage.

Rating Strengths

- Strong support from parent, Vossloh group
- Robust demand outlook for railway crossings and industrial castings
- High entry barriers in key markets

Rating Weaknesses

- Susceptibility of profitability margins to volatility in raw material prices
- Product portfolio and customer concentration in revenue profile

Outlook:Stable

CRISIL believes that VBCL will maintain a steady credit risk profile, backed by stable demand for its product portfolio and healthy profitability margins. The outlook may be revised to 'Positive' if VBCL diversifies its product portfolio, or if it generates higher-than-expected growth in revenues, led by high demand for its products. Conversely, the outlook may be revised to 'Negative' if the company's financial risk profile deteriorates materially due to low profit margins resulting from significant increase in the prices of raw materials, or lesser-than-expected offtake for its products.

Key Rating Sensitivity Factors

- Extent and funding of future capital expenditure
- Execution risks associated with the projects
- Changes in group policies pertaining to investments in developing markets

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	642	701	665
OPBDIT	196	284	91
PAT	111	171	49
Tangible Networth	478	369	234
Total Debt	-	52	94
OPBDIT Margins (%)	29.9	40.1	13.6
Net Profit Margins (%)	17.0	24.1	7.3
Interest cover (times)	38.02	33.44	15.02
NCA / Total Debt (times)	-	3.03	0.33
Gearing (times)	-	0.14	0.40
Total Debt / PBDIT (times)	-	0.18	1.03

Wacker Chemie India Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A			Stable
Rating History				
30/June/2009	A	-	-	Stable

Company Background:

Wacker Chemie India Private Limited (WCIPL), incorporated in 2007, is a wholly-owned subsidiary of Wacker Chemie AG (Wacker), a Germany-based chemical company. WCIPL is in the indenting business, and receives commission income on sale of Wacker's polymer and fine chemical products in India. WCIPL is also setting up a technical centre, which will provide technical support to Wacker's customers in India.

Wacker, established in 1914 in Munich, Germany, is a multi-national chemical company operating across five business divisions in fields such as silicone, polymer chemistry, specialty and fine chemistry, polysilicon production, and semiconductor technologies. The company has 27 production sites in Europe, the Americas, and Asia, and operates through over 100 subsidiaries and sales offices worldwide.

Rating Strengths

- Operational and financial support from parent, Wacker
- Walker's established market position in the polymer industry

Rating Weaknesses

- Modest scale of operations in India
- Exposure to risk related to customer concentration

Outlook: Stable

CRISIL believes that WCIPL will continue to benefit over the medium term from the support that it receives from its strong parent and the established position of the parent's products in the Indian market. The outlook may be revised to 'Positive' if the market in India for WCIPL's products grows substantially, thereby boosting the company's scale of operations and accruals. Conversely, the outlook may be revised to 'Negative' in case of significant decline in WCIPL's commission income or in case of delayed parental support to meet operational and financial obligations.

Key Rating Sensitivity Factors

- Continued financial and operational support from Wacker
- Growth in market size and penetration of Wacker's product lines in India
- Credit risk profile of Wacker

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	123	97	67
OPBDIT	34	33	23
PAT	8	7	-8
Tangible Networth	217	209	118
Total Debt	155	158	159
OPBDIT Margins (%)	27.6	34.1	34.2
Net Profit Margins (%)	6.8	7.6	-11.4
Interest cover (times)	2.42	2.42	1.01
NCA / Total Debt (times)	0.14	0.10	-0.04
Gearing (times)	0.71	0.76	1.35
Total Debt / PBDIT (times)	3.48	3.99	6.89

Walchandnagar Industries Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A+		A1+	Positive
Rating History				
06/Oct /2010	A+	-	A1+	Positive
17/Jun/2008	A+	-	A1+	Stable

Company Background

Incorporated in 1908 by industrialist Mr. Walchand Hirachand, Walchandnagar Industries Ltd (WIL) is a diversified heavy engineering project execution company, with engineering, manufacturing, and project management capabilities. Its heavy engineering segment is engaged in engineering, fabrication, and manufacturing of machinery for sugar plants, cement plants, boilers and cogeneration and bio mass based power plants, heavy-duty gears, mineral processing, and meeting critical requirements of the Indian space, defence, and nuclear power industries.

The company's foundry and machine shop segment manufactures castings required by various industries, and undertakes machining of components. WIL also manufactures pressure and temperature gauges, and has a growing presence in the engineering, procurement, and construction (EPC) space. The company has plants at Walchandnagar (heavy engineering and industrial machinery), Satara Road at Satara (foundry), and Dharwar (precision instruments).

Rating Strengths

- Healthy financial risk profile, aided by comfortable capital structure and debt protection measures
- Diversified product portfolio, and large order book

Rating Weaknesses

- Susceptibility of operating margins to volatility in input prices, and competition in businesses
- Highly working-capital-intensive operations
- Exposure to cyclicality in end-user segments

Outlook: Positive

CRISIL believes that WIL's order book position provides good revenue visibility, over the medium term. It is expected to achieve larger cash accruals, backed by increased turnover and improvement in margins owing to higher profitability in new orders. The rating may be upgraded if WIL's revenue growth is healthy, it maintains adequate operating profitability, prudently manages its working capital levels, and maintains its order book over the medium term. Conversely, the outlook may be revised to 'Stable' if WIL undertakes larger-than-expected, debt funded capital expenditure (capex) programmes, its working capital management deteriorates, or in case of low profitability.

Key Rating Sensitivity Factors

- Significant debt-funded capex
- Impact, on margins, of volatility in raw material prices and cost overruns in EPC business, or inability to maintain margins at current levels
- Unrelated diversification
- Significant loss resulting from dispute with clients

Financial Performance

Rs. Million	30-Sep-10	30-Sep-09	30-Sep-08
Net Sales	6724	5126	6960
OPBDIT	303	445	715
PAT	223	234	396
Tangible Networth	2084	2227	2082
Total Debt	1039	1250	883
OPBDIT Margins (%)	4.5	8.7	10.3
Net Profit Margins (%)	3.3	4.6	5.7
Interest cover (times)	4.78	5.95	10.62
NCA / Total Debt (times)	0.30	0.24	0.48
Gearing (times)	0.50	0.56	0.42
Total Debt / PBDIT (times)	2.33	2.27	1.19

Western India Forging Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Stable
Rating History				
05/Aug/2008	A-	-	A2+	Stable

Company Background:

Set up in 1985 by Mr. K B Jindal, Western India Forging Private Limited (WIFPL) manufactures open- and closed-die forgings, and has a forging capacity of 90,000 tonnes per annum (tpa). The company's products find application in the gear and transmission, oil and gas, construction, earth-moving equipment, and mining industries. The company has three plants, in Kharadi, Bhosari, and Sanaswadi (all in Pune [Maharashtra]), which have a forging capacity of 10,000 tpa, 10,000 tpa, and 70,000 tpa, respectively. In 2007-08, the manufacturing operations of group company Kran Rader Pvt Ltd (KRPL), which was set up in 1981 and acquired by WIFPL's promoters in 1991, were merged with WIFPL.

Rating Strengths

- Established position in industrial forgings segment, backed by diversified customer profile
- Healthy financial risk profile

Rating Weaknesses

- Working-capital-intensive operations
- Expected increase in competitive pressures, and susceptibility of profitability to volatility in raw material prices and high power costs

Outlook:Stable

CRISIL believes that WIFPL will maintain its established position in the industrial forgings segment over the medium term, on the back of its diversified customer base and healthy demand from the end-user industries. The outlook may be revised to 'Positive' if the company reports a significant improvement in its revenues and operating margin, or in case of an improvement in its working capital management. Conversely, the outlook may be revised to 'Negative' if the company's profitability declines, or in case of deterioration in its capital structure, driven by a large, debt-funded capital expenditure (capex) programme.

Key Rating Sensitivity Factors

- Maintenance of operating margin, amid volatile raw material prices
- Extent and funding mix of capex/acquisition
- Working capital management

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1649	2364	2231
OPBDIT	239	423	379
PAT	73	200	170
Tangible Networth	835	788	585
Total Debt	587	611	671

OPBDIT Margins (%)	14.0	17.3	16.5
Net Profit Margins (%)	4.2	8.2	7.4
Interest cover (times)	3.46	4.30	5.18
NCA / Total Debt (times)	0.18	0.36	0.27
Gearing (times)	0.70	0.78	1.15
Total Debt / PBDIT (times)	2.44	1.43	1.68

Western MP Infrastructure & Toll Roads Private Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
20/Jan/2012	A-			Stable
23/Jul/2008	BBB-**			Stable

***Initial Bank loan rating assigned*

Company Background:

Western MP Infrastructure & Toll Roads Private Limited (WMP) is a special-purpose vehicle (SPV) promoted by the Essel group, one of India's prominent business houses. The group's publicly listed companies include Zee Entertainment Enterprises Ltd, Zee News Ltd, Wire & Wireless India Ltd, Dishtv India Ltd and Essel Propack Ltd.

WMP had been appointed by the Madhya Pradesh Road Development Corporation to construct, design, engineer, operate and maintain the Lebad-Jaora stretch on State Highway 31 (SH 31) on build-operate-transfer basis. The company has recently completed the project and achieved commercial operational date (COD) with effect from June 04, 2011. The road is 125 kilometres long. The company has also commenced tolling at its second plaza from COD. It had already commenced tolling for the first stretch of the homogenous section (67 kilometres) on the Lebad-Jaora stretch in November 2009. It had completed the first stretch five months ahead of schedule; however, the overall project had been delayed by more than twelve months on account of the change in engineering scope and design stipulated by the Ministry of Railways. Tolling on second toll plaza started in June 2011.

Rating Strengths

- Strategic location of the road stretch, resulting in healthy toll revenues and healthy debt service coverage ratio (DSCR)

Rating Weakness

- Revenue risks associated with toll collection on account of traffic volume

Outlook: Stable

CRISIL expects WMP's debt servicing ability to remain healthy following healthy toll collections and moderation of its interest payments with the reduction in interest rates post COD. The ratings may be upgraded if WMP reports more-than-expected toll collections or if its interest rates reduce further. Conversely, the outlook may be revised to 'Stable' if WMP's operating costs increase or there is lower availability of the road, leading to weakening in its DSCR.

Key Rating Sensitivity Factors

- Changes in toll collections
- Changes in interest rates
- Securitisation of toll receivables leading to a weakening of DSCR

Financial Performance

Rupees Million	31-Mar-11	31-Mar-10
Net Sales	367	100
OPBDIT	301	79
PAT	-496	-78
Tangible Networth	2309	2421
Total Debt	5624	5114

OPBDIT Margins (%)	82.2	78.3
Net Profit Margins (%)	-135.2	-78.1
Interest cover (times)	1.06	0.77
NCA / Total Debt times)	-0.06	-
Gearing (times)	2.44	2.11
Total Debt / PBDIT (times)	18.66	65.04

WMI Cranes Limited

Date	LT	FD	ST	Outlook
Current Rating				
	A-		A2+	Positive
Rating History				
12/Jan/2011	A-	-	A2+	Positive
21/Dec/2009	A-	-	A2+	Stable

Company Background:

WMI Cranes Ltd (WMI Cranes) was established in 1958 by Mr. Gopal A Vazirani in Mumbai. The company manufactures electric overhead travelling (EOT) cranes. It has two manufacturing units: one in Bhandup (Mumbai) and the other in Jejuri (Pune), with total capacity to manufacture 265 cranes per annum. It has marketing offices in Mumbai, Kolkata, Bengaluru, and Delhi. WMI Cranes manufactures cranes with capacity ranging from 5 tonnes to 400 tonnes.

WMI Cranes had transferred its windmill assets and the associated term loan to WMI Power. This was with effect from August 2009. Konecranes Finnish Corporation (Konecranes), a Finnish industrial cranes manufacturer, is expected to acquire 51 per cent stake of WMI Cranes' equity shares by March 31, 2011 and wholly acquire the company latest by December 2011. Setup in 1994, Konecranes is a leading lifting equipment manufacturer. It caters to the manufacturing and process industries, nuclear industry, shipyards, and harbours.

Rating Strengths

- Established market position for electric overhead travelling (EOT) cranes
- Healthy financial risk profile

Rating Weakness

- Large working capital requirements and susceptibility to volatility in raw material prices

Outlook: Positive

CRISIL believes that the impending acquisition of a majority stake in WMI Cranes by Konecranes is likely to improve WMI Cranes' credit risk profile. The ratings may be upgraded once the benefits of the acquisition translate into improved business performance and financial metrics for WMI Cranes. Conversely, the outlook may be revised to 'Stable' if there is a significant delay in the acquisition process, or in case of deterioration in WMI Cranes' financial risk profile, most likely caused by lower-than-expected inflow of orders or larger-than-expected debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Outcome of ongoing acquisition process by Konecranes
- Funding support from parent company/strategic investors
- Growth of end user industries
- Capex, and its funding pattern

Financial Performance

Rupees Million	31-Mar-10	31-Mar-09	31-Mar-08
Net Sales	1690	1548	1212
OPBDIT	389	389	342
PAT	299	202	181
Tangible Networth	564	521	378
Total Debt	154	164	110

OPBDIT Margins (%)	22.9	25.1	27.8
Net Profit Margins (%)	17.6	13.0	14.7
Interest cover (times)	20.40	16.65	18.28
NCA / Total Debt (times)	2.09	1.17	1.45
Gearing (times)	0.27	0.31	0.29
Total Debt / PBDIT (times)	0.39	0.41	0.32

Zagdu Singh Charitable Trust

Date	LT	FD	ST	Outlook
Current Rating				
	A-			Stable
Rating History				
29/Jun /2009	A-		-	Stable

Company Background

Set up by Mr. Jitendra Singh and Mr. Virendra Singh in 1995, Zagdu Singh Charitable Trust (ZSCT) runs educational institutions from pre-primary to post-graduation, professional and vocational levels. It operates seven educational institutes at Kandivali in Mumbai—Thakur Public School (affiliated to the Council for the Indian School Certificate Examinations), Thakur Polytechnic, Thakur College of Engineering & Technology, Thakur Institute of Management Studies and Research, Thakur Institute of Aviation Technology, Thakur International School (International Baccalaureate (IB) curriculum), and Thakur Institute of Career Advancement.

The trust had started International Baccalaureate (IB) School at Kandivali in 2009. The second year of operations saw a healthy response with 1100 students admitted in 2010 vis-à-vis 523 students in 2009.

Rating Strengths

- Established charitable trust offering spectrum of educational courses
- Comfortable financial risk profile

Rating Weakness

- Exposure to regulatory risks

Outlook:Stable

CRISIL believes that ZSCT will continue to benefit over the medium term from the diversified profile of educational courses offered by the institutes the society runs. The outlook may be revised to 'Positive' if ZSCT strengthens its market position by increasing the diversification of the profile of courses offered by its institutes, and receives more-than-expected response for its recently introduced courses like IB and Career Advancement. Conversely, the outlook may be revised to 'Negative' if the institutes' operations get disrupted because of adverse regulatory changes or the trust's debt protection metrics weaken because of larger-than-expected debt-funded capital expenditure (capex).

Key Rating Sensitivity Factors

- Changes in regulatory framework and continued compliance
- Capex plans and their funding
- Impact of force majeure events on account of geographic concentration of institutes

Financial Performance

Rs. Million	31-Mar-11	31-Mar-10	31-Mar-09
Net Sales	622	527	420
OPBDIT	108	114	105
PAT	65	73	50
Tangible Networth	817	646	521
Total Debt	9	94	82

OPBDIT Margins (%)	17.3	21.4	24.9
Net Profit Margins (%)	10.4	13.6	11.9
Interest cover (times)	586.26	372.87	19.26
NCA / Total Debt (times)	15.32	1.54	1.47
Gearing (times)	0.01	0.15	0.16
Total Debt / PBDIT (times)	0.07	0.65	0.64

Note:

The list of companies covered in this compendium were rated in the 'A' category as of January 31, 2012. Rating changes, where applicable, to this list have been incorporated until February 29, 2012.

Further, in February 2012, following companies have been added to the list:

A.New ratings assigned in 'A' rating category

Date	Company	Ratings
6-Feb-12	Schenck Process India Limited	CRISIL A-/Stable/CRISIL A2+
10-Feb-12	Ameya Logistics Private Limited	CCR A
17-Feb-12	Crystal Crop Protection Private Limited	CRISIL A/Stable/CRISIL A1
24-Feb-12	Jamipol Limited	CRISIL A/Stable
27-Feb-12	Metal Powder Co. Limited	CRISIL A-/Stable/CRISIL A2+

B. New additions to list of 'CRISIL A' category ratings as a result of rating changes in February 2012

Date	Company	Current Ratings	Earlier Ratings
6-Feb-12	Mazda Colours Ltd	CRISIL A-/Stable/CRISIL A2+	CRISIL BBB+ /Stable/CRISIL A2
16-Feb-12	Numeric Power Systems Ltd	CRISIL A+/CRISIL A1+ (Rating Watch with Negative Implications)	CRISIL AA/Stable/ CRISIL A1+
29-Feb-12	Maharishi Markandeshwar University (Mullana)	CRISIL A-/Stable/CRISIL A2+	CRISIL BBB+ /Stable/CRISIL A2

We will be happy to provide you with details on these companies.

For any queries / clarifications, please contact **'CRISIL Rating Desk'**
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