

# Bansal Roofing Products Limited

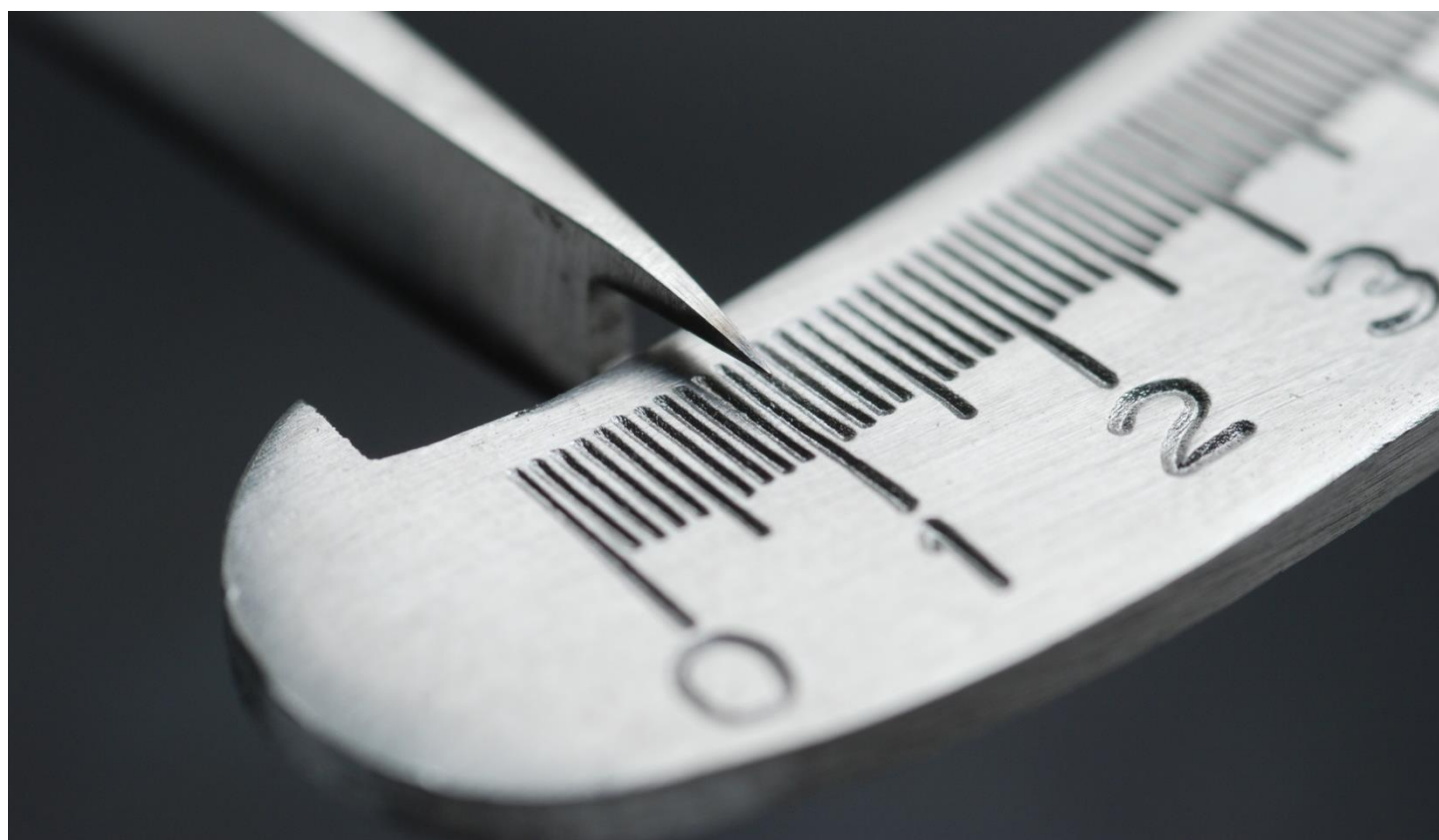
**CRISIL Grading: CRISIL MSE 1**

**Financial strength:** Highest

**Operating performance:** High

Indicates 'Highest' creditworthiness in relation to other Micro & Small Enterprises

**Report Date:** December 17, 2020 / **Valid Till:** December 16, 2021





## Terms and conditions

The grading is a one-time exercise and the grading will not be kept under surveillance. This grading is valid for one year from the report date, subject to no significant changes/events occurring during this period that could materially affect the business or financial parameters of the organisation as mentioned in the report. CRISIL, however, recommends that the user of the grading seeks a review of the grading if the organisation experiences significant changes/events during this period which could impact the organisation/its grading.

This Report is based on data publicly available or from sources considered reliable. CRISIL Research does not represent that the Report is accurate or complete and hence, it should not be relied upon as such. Opinions expressed herein are our current opinions as on the date of this report. Nothing in this report constitutes investment, legal, accounting or tax advice or any solicitation, whatsoever. The subscriber/ user assume the entire risk of any use made of this data/ report. CRISIL especially states that, it has no financial liability whatsoever, to the subscribers/ users of this report.

The report is for use within the jurisdiction of India only. Nothing in this report is to be construed as CRISIL providing, or intending to provide, any services in other jurisdictions where CRISIL does not have the necessary permissions and/ or registration to carry out its business activities. The user will be solely responsible for ensuring compliance for use of the report, or part thereof, outside India.

CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings division and/ or CRISIL Risk and Infrastructure Solutions Limited (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research, and not of CRISIL Ratings or CRIS.

## Index

<b>CRISIL MSE Grading .....</b>	<b>2</b>
<b>Grading history .....</b>	<b>2</b>
<b>Key grading drivers .....</b>	<b>3</b>
Business and management.....	3
Financial .....	3
<b>Fact sheet .....</b>	<b>5</b>
<b>Business profile .....</b>	<b>7</b>
Business description .....	7
Product profile .....	10
Customer profile and demand-side analysis.....	11
Supplier profile and supply-side analysis .....	12
Manufacturing facilities.....	12
<b>Ownership and management.....</b>	<b>14</b>
Directors' profile .....	14
Key management personnel .....	17
Organisational structure, controls and systems .....	18
Ownership pattern.....	18
Group companies and firms .....	18
<b>Financial profile .....</b>	<b>19</b>
Current financial performance.....	19
Past financial performance.....	20
Profit and loss account .....	20
Balance sheet .....	21
Key financial ratios.....	22
Fund flow statement .....	23
Graphs .....	24
Banking facilities .....	25
<b>Site visit .....</b>	<b>26</b>

## CRISIL MSE Grading

CRISIL MSE 1 indicates 'Highest' credit worthiness adjudged in relation to other MSEs	CRISIL MSE Rating	Definition	Financial Strength	Operating Performance
	<b>MSE 1</b>	<b>Highest</b>	<b>Highest</b>	Highest
	MSE 2	High	High	<b>High</b>
	MSE 3	Good	Good	Average
	MSE 4	Above Average	Above Average	Weak
	MSE 5	Average	Average	Poor
	MSE 6	Below Average	Below Average	
	MSE 7	Weak	Weak	
	MSE 8	Poor	Poor	

## Grading history

Grading	Financial Strength	Operating Strength	Assigned on	Valid till	Grading acceptance	Remarks
MSE 1	Highest	High	December 18, 2019	December 16, 2020	Grading accepted	Renewal
MSE 2	Highest	High	December 18, 2018	December 17, 2019		
MSE 2	Highest	High	December 18, 2017	December 17, 2018		
MSE 2	Highest	High	December 18, 2016	December 17, 2017		
SE 2B	-	-	December 18, 2015	December 17, 2016		
SE 2B	-	-	December 18, 2014	December 17, 2015		
SE 2B	-	-	December 28, 2013	December 27, 2014		New

## Key grading drivers

### Business and management

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• <b>Organisational stability, along with experienced director:</b> An established track record of 13 years in industry, along with more than 25 years of director's relevant experience, indicates the company's ability to survive economic and business cycles. Also, the company has experienced second-tier management that has decision-making powers, which shall help it in maintaining organisational stability.</li> <li>• <b>Well-defined organisational structure:</b> The company has a qualified and experienced second-tier management with decision-making powers. It derives significant benefits from the strong reputation and extensive experience of its senior management.</li> <li>• <b>Established brand presence and diversified customer base:</b> The company has established relationship with suppliers and customers in the market due to its presence in industry for more than a decade. The goods manufactured by the company are sold under the brand name 'Bansal' which is known all over India.</li> <li>• <b>Geographical diversity:</b> The company benefits from an established market position and diversified presence across India and African countries in abroad, which provides locational advantages. Thus, revenue dependence on geographical concentration is reduced to a great extent.</li> <li>• <b>High focus on quality along with certification:</b> The company has an in-house facility to conduct quality tests at each stage of the manufacturing process, which enhances the quality of product, resulting in a competitive advantage. Also, ISO 9001:2015 certification for its products ensure adherence to high quality standards.</li> <li>• <b>Adequate profitability:</b> The company registered a moderate operating profit before depreciation, interest, and tax (OPBDIT) margin of 8.60% and profit after tax (PAT) of 5.59% in fiscal 2020.</li> </ul>
<b>Risks factors</b>	<ul style="list-style-type: none"> <li>• <b>Fluctuating sales:</b> The management's ability to demonstrate a steady growth trajectory remains to be seen, as net sales have been fluctuating at Rs 3,225.57 lakh in fiscal 2018, Rs 4,347.76 lakh in fiscal 2019 and Rs 3,992.05 lakh in fiscal 2020.</li> <li>• <b>Susceptibility to demand from end-user industry:</b> The demand for steel is derived from sectors such as housing (real estate), construction, and infrastructure. Operations are entirely dependent on demand derived from regional real estate and infrastructure, which is further linked to economic cycles. Any slowdown in economic activity and lower investments in infrastructure and housing may have a negative effect on its operations.</li> </ul>

### Financial

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• <b>Adequate return on capital employed (RoCE):</b> This is reflected in return on capital employed (RoCE) of 22.41% in fiscal 2020, which implies that the company has adequate resources for meeting its business obligations.</li> <li>• <b>Adequate capital structure:</b> The company has low reliance on external debt, as reflected in debt-equity ratio of 0.00 time and total outside liabilities/tangible net worth of 0.10 times as of fiscal 2020.</li> <li>• <b>Adequate credit protection measures:</b> The company's debt protection measures are strong, with interest coverage ratio of 45.55 times, net cash accrual to total debt ratio of more than 100.00% and debt-service coverage ratio of 6.16 times in fiscal 2020.</li> </ul>
------------------	--

- **Adequate liquidity:** The company has an adequate cash to meet its debt obligations as reflected in cash/total outside liabilities ratio of 10.35% and current ratio of 9.42 times as of fiscal 2020, which reflects adequate liquid cash available to meet its debt obligations.
- **Working capital:** The company had a healthy cash conversion cycle in fiscal 2020 as receivables days (22 days), inventory days (70 days) and payable days (4) were low. This indicates stability in the cash position/cash flows of the company which would enable smooth flow of operations and business sustainability.

## Fact sheet

<b>Name of the company</b>	Bansal Roofing Products Limited
<b>Year of establishment</b>	2008
<b>Commencement of operations</b>	February, 2011
<b>Legal status</b>	Public limited company (publicly held)
<b>Legal history</b>	<ul style="list-style-type: none"> <li>• <b>2008:</b> Incorporated as a private limited company 'Bansal Roofing Private Limited', with Kaushal Kumar Gupta, Satish Kumar Gupta (brother of Kaushal Kumar Gupta), and Sangeeta Gupta (wife of Kaushal Kumar Gupta) as directors</li> <li>• <b>2013:</b> <ul style="list-style-type: none"> <li>○ Ashish Kumar Gupta (nephew of Kaushal Kumar Gupta) joined as director.</li> <li>○ Sangeeta Gupta resigned as director.</li> <li>○ The company was renamed 'Bansal Roofing Products Private Limited'.</li> <li>○ It was reconstituted into a public limited company (closely held) and renamed 'Bansal Roofing Products Limited'.</li> </ul> </li> <li>• <b>2014:</b> <ul style="list-style-type: none"> <li>○ Ashish Kumar Gupta resigned as director and Sangeeta Gupta was reappointed as director.</li> <li>○ Bhavita Gurjar, Shilpa Jadeja, and Beena Bisht (business associates of Kaushal Kumar Gupta) were appointed as independent directors.</li> <li>○ The company was listed on BSE SME.</li> </ul> </li> <li>• <b>2020:</b> <ul style="list-style-type: none"> <li>○ Satish Kumar Gupta (brother of Kaushal Kumar Gupta) resigned as director.</li> <li>○ Kailash Kaushalkumar Gupta (son of Kaushal Kumar Gupta) joined a business as a director.</li> </ul> </li> </ul>
<b>Registered with</b>	Registrar of Companies, Ahmedabad, Gujarat
<b>Registration number</b>	053761
<b>SSI registration number</b>	EM2 24 019 12 004682
<b>Udyog Aadhaar no</b>	GJ24B0008605
<b>CIN No.</b>	L25206GJ2008PLC053761
<b>PAN No.</b>	AADCB4379B
<b>Managing director</b>	Kaushal Kumar Gupta
<b>Category of entrepreneur</b>	General
<b>Listed at</b>	BSE (SME)
<b>Share price movements</b>	Share price as on: January 05, 2021 Share price: Rs 51.00 52-week high: Rs 51.00 52-week low: Rs 22.55.00 Price quotes from: <a href="http://www.bseindia.com">www.bseindia.com</a>
<b>Registered office and administrative office</b>	3/2, Labdhi Industrial Estate Acid Mill Compound Ranmukteshwar Road, Pratapnagar Vadodara – 390 004 Gujarat Tel: +91 265 – 2581 082/+91 9825 050 682 Fax: +91 265 – 2581 365 Email: <a href="mailto:cs@bansalroofing.com">cs@bansalroofing.com</a> , <a href="mailto:kaushalgupta@bansalroofing.com">kaushalgupta@bansalroofing.com</a>



	Website: <a href="http://www.bansalroofing.com">www.bansalroofing.com</a>
<b>Manufacturing facilities</b>	Plot no. 6, Raj Industrial Estate Vadadala, Near Samalaya Crossing Vadodara – 391 520, Gujarat
<b>Number of employees</b>	Permanent: 69 Contractual: 20 <b>Total: 89</b>
<b>Certifications and awards</b>	<ul style="list-style-type: none"> <li>• ISO 9001:2015 (validity details sought by CRISIL not provided by the company)</li> <li>• Merit Award in 2015 from Skoch Achievers Academy, won IPF Excellence Award for the fastest growing companies for consecutive two year</li> <li>• Lifetime member of: <ul style="list-style-type: none"> <li>○ Federation of Gujarat Industries (FGI)</li> <li>○ The Bombay Iron Merchant's Association</li> <li>○ Steel Chamber of India</li> <li>○ Vadodara Chamber of Commerce and Industry</li> <li>○ Exim club, Vadodara</li> <li>○ Savli East Waghodia West Association of Industries (SEWWA)</li> </ul> </li> <li>• Registered member of: Engineering Export Promotion Council</li> </ul>
<b>Brands</b>	Bansal™
<b>Statutory compliance</b>	<ul style="list-style-type: none"> <li>• Income tax filing: Regular and timely</li> <li>• Excise duty filing (till June 30, 2017): Regular and timely</li> <li>• GST filing (from July 1, 2017): Regular and timely</li> <li>• Sales tax filing (till June 30, 2017): Regular and timely</li> <li>• Wealth tax filing: Not applicable</li> <li>• ESIC and EPF dues: Regular and timely</li> </ul> <p><i>(As provided by the management, not independently verified)</i></p>

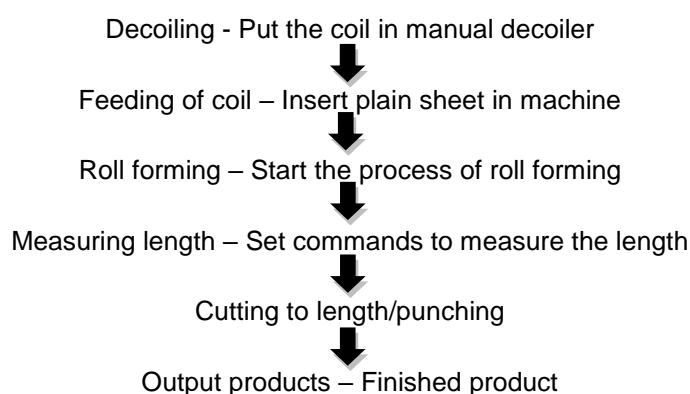
## Business profile

### Business description

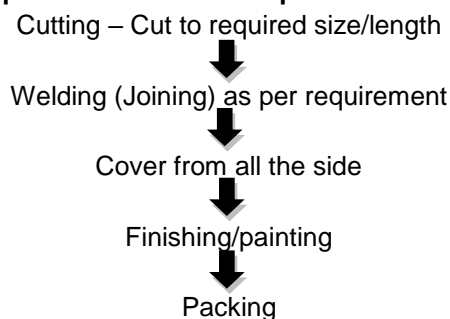
<b>Nature of business</b>	:	Manufacturing
<b>Industry</b>	:	Steel fabrication and roofing
<b>Industry prospects</b>	:	Strong
<b>Business description</b>	:	<p><b>Business</b></p> <ul style="list-style-type: none"> <li>• The company manufactures roofing products/sheets such as color coated roofing sheet, metal roofing sheets, roofing accessories and pre-engineered structures. It sells under its brand name 'Bansal'.</li> <li>• It had started manufacturing roofing products since 2012; earlier, it was engaged in trading of the same.</li> <li>• The manufacturing facility, admeasuring 40,000.00 sq. ft. is located at Gujarat.</li> </ul> <p><b>Products :</b></p> <ul style="list-style-type: none"> <li>• Pre-engineered structures</li> <li>• Perforated metal sheet</li> <li>• Colour coated roof sheets</li> <li>• Colour coated roof accessories <ul style="list-style-type: none"> <li>○ Plain ridge</li> <li>○ Crimped ridge</li> <li>○ Gabble end flashing</li> <li>○ Corner flashing</li> <li>○ Roof gutter</li> <li>○ North light curvature</li> </ul> </li> <li>• Fibre Reinforced Plastic (FRP) roofing sheet <ul style="list-style-type: none"> <li>○ Plain sheet with and without wrinkle.</li> <li>○ Corrugated sheet in GI, Pre-coated, PVC, Aluminium</li> <li>○ Multi coloured sheets</li> <li>○ Textile sheets</li> <li>○ Domes and pyramid</li> </ul> </li> <li>• Polycarbonate sheet <ul style="list-style-type: none"> <li>○ Flat</li> <li>○ Embossed</li> <li>○ Corrugated</li> <li>○ Multi wall</li> </ul> </li> <li>• Other roofing products <ul style="list-style-type: none"> <li>○ Roofing Fasteners</li> <li>○ "J", "L", "Pipe bolt (Galvanized &amp; PVC coated)</li> <li>○ Butyl tap</li> <li>○ Foam Fillier (for ends) &amp; Silicon sealant</li> <li>○ PVC &amp; PP Cap</li> <li>○ Ridge, Corner, Gabble, Gutter</li> <li>○ Louvers</li> <li>○ Sag Rod</li> </ul> </li> </ul>

- Foundation Bolt
- Brazing Rod
- Clits
- Base Plates
- Eco ventilator
- Deck sheet
- Z and C Purlin

**Production process of roll forming product**



**Production process of fabricated products**



**Tender-based business**

- About 1% of the business is tender-based and the company bids for tenders of Bharat Heavy Electricals Limited.
- It bids for around 5-6 tenders in a year and the success rate is around 30%.
- Earnest money deposit (EMD) is not applicable as company is member of NSIC.

**Raw material**

- The key raw materials required by the company are steel colour-coated coils, and galvanized pipes and sheets, which it procures locally from India.

**Customers**

- The company caters to more than 500 customers across

		<p>India and also exports to Rwanda (East Africa), which constitutes around 1% of the total net sales.</p> <p><b>Quality team</b></p> <ul style="list-style-type: none"> <li>The company has a quality control team, headed by Ameya Kumar Koley, for checking the quality of the finished goods.</li> </ul> <p><b>Transportation</b></p> <ul style="list-style-type: none"> <li>For the transportation of goods, either the company arranges for it or the customer, depending upon the terms of contract between the parties.</li> </ul>
<b>End-user industries</b>	:	Multiple
<b>Experience in the business</b>	:	13 years
<b>Product range</b>	:	Diverse
<b>Degree of competition</b>	:	High; entry barriers are low
<b>Plans</b>	:	The company plans to start commercial production in second manufacturing facility from August 2021, manufacturing facility is under construction having area admeasuring 3.00 lakh sq. ft. Total project cost is Rs 1,000.00 lakh same will be partly funded via internal accruals and partly via term loan from Axis Bank.
<b>Customer profile</b>	:	Direct customers
<b>Installed capacity/facility</b>	:	1,400.00 tonnes per month
<b>Utilised capacity</b>	:	55.00%

## Product profile

Product profile	Share in net sales (%)
Roofing sheet and Accessories	60.00
Other roofing products	8.00
Pre-engineering structures	25.00
Trading of roofing products	5.00
Installations and consultancy Services	2.00
<b>Total</b>	<b>100.00</b>

## Customer profile and demand-side analysis

Customer name	Address	Product	Length of relationship	% share in sales
Larsen and Toubro Limited (CRISIL AAA/Stable)	Across India	Roofing products	7 years	Varies annually
Bharat Heavy Electricals Limited (CRISIL AA+/Stable)	New Delhi		5 years	
Deepak Nitrite Limited	Maharashtra		8 years	
VA Tech Wabag Limited	Tamil Nadu		3 year	
Aarti Industries Limited (CRISIL AA-/Stable)	Across Gujarat			
Ashapura Minechem Limited	Across India		6 years	
Rubamin Limited				
Aditya Birla Group	Vadodara			
ABB Limited (CRISIL AAA/Stable)	Gujarat	PEB	2 years	

### Notes:

- The company caters to 500 customers across India and other African countries.
- Each customer accounts for less than 25.00 % of the total sales.

Terms of credit	:	Cash and credit up to 45 days
Process of getting orders	:	Regular orders from customers; some orders are tender-based
Exports	:	1.78% of net sales
Marketing network	:	<ul style="list-style-type: none"> <li>• The company has around six members in the marketing team for undertaking client meetings and maintaining relations with existing as well as prospective customers.</li> <li>• It markets its products through various online marketing channels and receives repeat orders from its existing customers.</li> <li>• The company also advertises its products through its website: <a href="http://www.bansalroofing.com">www.bansalroofing.com</a></li> </ul>
Geographical reach	:	Well-spread

## Supplier profile and supply-side analysis

Supplier's / Wholesaler's name	Address	Product	Length of relationship
Manaksia Limited	Gujarat	Colour-coated coils, aluminium, roofing sheets, polycarbonate sheets	12 years
Surat Ispat	Mumbai	Galvanised coils, galvanised pipes, and galvanised sheets	5 years
JSW Steel Limited	Across India		8 years

<b>Terms of purchase</b>	:	Credit up to 30 days
<b>Raw material availability</b>	:	Ample
<b>Raw material price volatility</b>	:	High
<b>Ability to pass on raw material price increase</b>	:	Yes
<b>Imports</b>	:	None

## Manufacturing facilities

Labour-oriented operations	:	Yes
Labour union	:	No
Labour relationships	:	Cordial
CNC machines, CAD, CAM, automation	:	Yes
In-house R&D, designing facilities	:	Yes
Degree of mechanisation	:	High
Availability of critical machinery and entry barriers to technology and processes used	:	Yes
Factory layout	:	Spacious and well-organised

**Notes:** The company has a quality control team of 3 executives, headed by Amiya kumar koley to conduct quality checks at each stage of the production process.



**Photographs of the facility:**



**Image 1**



**Image 2**



**Image 3**



**Image 4**



**Image 5**





**Image 6**





## Ownership and management

### Directors' profile

	<b>Director's name</b>	:	Kaushal Kumar Gupta
	<b>Age</b>	:	50 years
	<b>Qualification</b>	:	BE (Industrial engineering)
	<b>Designation / responsibilities</b>	:	Chairman and Managing director /Overall management
	<b>Promoters' experience in current business</b>	:	15 years
	<b>Experience in the same line of business (including current experience)</b>	:	<b>27 years:</b> <ul style="list-style-type: none"> <li>• 12 years through Ashinishi Marketing and Engineering as partner</li> <li>• 15 years through group company and the rated company</li> </ul>
	<b>Personal net worth</b>	:	Rs 1,149.00 lakh as of fiscal 2020
	<b>Director's address</b>	:	A-104, Darshanam Splendora Akshar Pavillion Road Near Nilambar Circle, Bhayli Vadodara – 391 410, Gujarat
	<b>Telephone no.</b>	:	+91 9825 050 682
	<b>Ownership of residence</b>	:	Owned
<b>Vehicles used</b>	:	Tata Harrier	

	<b>Director's name</b>	:	Kailash Kaushal Gupta
	<b>Age</b>	:	23 years
	<b>Qualification</b>	:	BE (Mechanical)
	<b>Designation / responsibilities</b>	:	Whole time director
	<b>Promoters' experience in current business</b>	:	1 year
	<b>Previous experience</b>	:	Data sought by CRISIL not provided by the company
	<b>Personal net worth</b>	:	the company
	<b>Director's address</b>	:	A-104, Darshanam Splendora Akshar Pavillion Road Near Nilambar Circle, Bhayli Vadodara – 391 410, Gujarat
	<b>Telephone no.</b>	:	+91 9173 147 763

	<b>Director's name</b>	: Sangeeta Gupta
	<b>Age</b>	: 48 years
	<b>Qualification</b>	: MA (English)
	<b>Designation / responsibilities</b>	: Whole time director
	<b>Promoters' experience in current business</b>	:
	<b>Experience in the same line of business (including current experience)</b>	: 11 years
	<b>Personal net worth</b>	: Rs 351.00 lakh as of fiscal 2020
	<b>Director's address</b>	: A-104, Darshanam Splendora Akshar Pavillion Road Near Nilambar Circle, Bhayli Vadodara – 391 410, Gujarat
	<b>Telephone no.</b>	: +91 026 5258 1082

	<b>Director's name</b>	: Bhavita Gurjar
	<b>Age</b>	: 35 years
	<b>Qualification</b>	: BCom
	<b>Designation / responsibilities</b>	: Non-executive Independent Director/Audit com
	<b>Promoters' experience in current business</b>	:
	<b>Experience in the same line of business (including current experience)</b>	: 5 years
	<b>Personal net worth</b>	: Data sought by CRISIL not provided by the cor
	<b>Director's address</b>	: C - 43, Shreedhar Park Behind Makarpura Depo Vadodara - 390 010, Gujarat
	<b>Telephone no.</b>	: +91 026 5258 1082

	<b>Director's name</b>	: Shilpa Jadeja
	<b>Age</b>	: 49 years
	<b>Qualification</b>	: MSc
	<b>Designation / responsibilities</b>	: Non-executive Independent Director/Nominatio committee
	<b>Promoters' experience in current business</b>	:
	<b>Experience in the same line of business (including current experience)</b>	: 5 years
	<b>Personal net worth</b>	: Data sought by CRISIL not provided by the cor
	<b>Director's address</b>	: Bungalow no 3, Nilamber 4 Vasna Bharti Road Behind Bright Day School Vadodara - 390 015, Gujarat
	<b>Telephone no.</b>	: +91 026 5258 1082

	<b>Director's name</b>	:	Beena Bisht
	<b>Age</b>	:	42 years
	<b>Qualification</b>	:	BA
	<b>Designation / responsibilities</b>	:	Non-executive Independent Director/Inv Committee
	<b>Promoters' experience in current business</b>	:	
	<b>Experience in the same line of business (including current experience)</b>	:	5 years
	<b>Personal net worth</b>	:	Data sought by CRISIL not provided by the cor
	<b>Director's address</b>	:	A/8, Purusarth Bungalows off.30 meter, Ring Road Opposite Ratnakar Tenament, Gotri Vadodara – 390 021, Gujarat
	<b>Telephone no.</b>	:	+91 026 5258 1082

*Personal liquid net worth of promoters is as disclosed by management and not certified.*

## Key management personnel

<b>Name</b>	:	Niladri Seal
<b>Age</b>	:	47 years
<b>Qualification</b>	:	BCom
<b>Designation / responsibilities</b>	:	Manager/Administration and accounts
<b>Relevant experience</b>	:	16 years
<b>Address</b>	:	3/2, Labdhi Industrial Estate Acid Mill Compound, Ranmukteshwar Road, Pratapnagar Vadodara – 390 004, Gujarat
<b>Telephone no.</b>	:	+91 265 – 2580 178/+91 9825 050 682

<b>Name</b>	:	Chiragbhai Jagdishbhai Rana
<b>Age</b>	:	33 years
<b>Qualification</b>	:	Postgraduate (MCom)
<b>Designation / responsibilities</b>	:	CFO (Chief Financial Officer)
<b>Relevant experience</b>	:	9 years
<b>Address</b>	:	3/2, Labdhi Industrial Estate Acid Mill Compound, Ranmukteshwar Road, Pratapnagar Vadodara – 390 004, Gujarat
<b>Telephone no.</b>	:	+91265 - 2580178/+91 9825 050 682

<b>Name</b>	:	Archi Shah
<b>Age</b>	:	32 years
<b>Qualification</b>	:	CS
<b>Designation / responsibilities</b>	:	Company Secretary and compliance officer
<b>Relevant experience</b>	:	8 years
<b>Address</b>	:	3/2, Labdhi Industrial Estate Acid Mill Compound, Ranmukteshwar Road, Pratapnagar Vadodara – 390 004, Gujarat
<b>Telephone no.</b>	:	+91265 - 2580178/+91 9825 050 682

<b>Name</b>	:	Amiya Kumar Koley
<b>Age</b>	:	51 years
<b>Qualification</b>	:	Diploma in Mechanical Engineering
<b>Designation / responsibilities</b>	:	Plant/Production head
<b>Relevant experience</b>	:	23 years
<b>Address</b>	:	3/2, Labdhi Industrial Estate Acid Mill Compound, Ranmukteshwar Road, Pratapnagar Vadodara – 390 004, Gujarat
<b>Telephone no.</b>	:	+91 265 – 2580 178/+91 9825 050 682

<b>Name</b>	:	Kishore N. Mulchandani
<b>Age</b>	:	62 years
<b>Qualification</b>	:	BCom
<b>Designation / responsibilities</b>	:	Manager/Export
<b>Relevant experience</b>	:	38 years
<b>Address</b>	:	3/2, Labdhi Industrial Estate Acid Mill Compound, Ranmukteshwar Road, Pratapnagar Vadodara – 390 004, Gujarat
<b>Telephone no.</b>	:	+91 026 5258 1082

## Organisational structure, controls and systems

Managing director	:	Kaushal Kumar Gupta
Constitution	:	Public limited company
Second tier management	:	Qualified and experienced
Decision making powers	:	Decentralised
Reporting system or MIS	:	Yes
Type of reporting system	:	Computerised
Frequency of MIS / reporting	:	Daily
Litigations against the SSI	:	None
Litigations against the Director	:	
Severity of litigations	:	Not applicable
Susceptibility to foreign exchange fluctuations	:	
Hedging against foreign exchange risks	:	
Susceptibility to commodity price fluctuations	:	
Hedging against forex risks (for Sales)	:	
Hedging against forex risks (for raw material)	:	
Hedging against commodity prices	:	
Asset insurance	:	Adequate

## Ownership pattern

Shareholding pattern as of:	fiscal 2020
-----------------------------	-------------

Name of the shareholder	Relationship with managing director	Share in capital (%)
Kaushal Kumar Gupta	Self	46.60
Sangeeta Gupta	Family members	17.75
Satish Kumar Gupta		4.49
Kailash Kaushal Gupta		1.27
Jignesh Gupta		0.73
Individuals (public)	Shareholders	29.16
	<b>Total</b>	<b>100.00</b>

## Group companies and firms

Name of the group company	Business	Year ended	Net sales	PAT	Net worth/ Capital	Total debt
			<i>Amounts in Rs lakh</i>			
Agrawal Associates (established in 2005)	Trading of colour-coated roof sheets, polycarbonate sheets, and FRP roof sheets	March 31, 2020	89.26	9.46	74.67	5.78

PAT: Profit after tax

### Notes:

- Kaushal Kumar Gupta is the proprietor of Agrawal Associates.
- There are less than 1.00% intra-group transactions, as confirmed by the management.
- There is no financial fungibility within the group, as confirmed by the management.

## Financial profile

### Current financial performance

Performance from April 1 to January 04, 2021		
Net sales	Rs lakh	2,587.28
OPBDIT	Rs lakh	Data sought by CRISIL not provided by the company
Current order book	Rs lakh	500.00
Debtors	Rs lakh	186.28
Creditors	Rs lakh	83.33
Capital	Rs lakh	1,541.47
Total debt	Rs lakh	35.79
Total debt- equity ratio	Times	0.02
Projected performance for		FY21*
Net sales	Rs lakh	3,800.00
PBT	Rs lakh	Data sought by CRISIL not provided by the company
PBT margin	%	

\* Management projection

**Notes:** Management has estimated higher revenue for fiscal 2021 due to adverse impact of COVID 19 lockdown on business.

**Impact of COVID 19:** Due to pandemic COVID 19 lockdown announced by Government of India, company's operations were closed in late the month of March to April 25<sup>th</sup> 2020, company was operating with 25.00% capacity at initial stage and now it is operating with 100.00% capacity. Due to COVID 19 some orders were cancelled and some orders went on hold.

## Past financial performance

### Profit and loss account

For the year ended		FY18	FY19	FY20
		Audited	Audited	Audited
Number of months		12	12	12
Net sales	Rs lakh	3,225.57	4,347.76	3,992.05
Operating income	Rs lakh	3,272.71	4,447.02	4,132.30
Cost of sales	Rs lakh	3,064.48	4,104.73	3,776.91
OPBDIT	Rs lakh	208.23	342.28	355.39
Interest and finance costs	Rs lakh	24.66	7.36	7.67
OPBDT	Rs lakh	183.57	334.92	347.72
Depreciation	Rs lakh	25.26	31.06	36.40
OPBT	Rs lakh	158.31	303.85	311.32
Non-operating income / (expense)	Rs lakh	-	-	-
PBT	Rs lakh	158.31	303.85	311.32
Extraordinary income / (expense)	Rs lakh	(12.44)	(16.43)	(6.10)
Reported PBT	Rs lakh	145.87	287.43	305.22
Provision for taxes	Rs lakh	35.65	76.36	73.07
Deferred tax liability / (asset)	Rs lakh	2.22	3.86	1.20
PAT	Rs lakh	108.00	207.20	230.96
Dividends	Rs lakh	-	19.87	32.96
Net cash accruals	Rs lakh	133.26	218.40	234.40

#### Notes:

- Net sales decreased in fiscal 2020 due to adverse impact of COVID 19 on business in the month of March 2020.
- Operating income for fiscal 2020 refers to labour income of Rs 111.99 lakh and miscellaneous income of Rs 28.26 lakh.
- Interest and finance costs for fiscal 2020 comprised interest on borrowings worth Rs5.51 lakh and bank charges worth Rs2.16 lakh.
- Extraordinary expense during fiscal 2020 refers to miscellaneous expenses written off of Rs 6.02 lakh and income tax expense of previous year of Rs 0.08 lakh.
- Deferred tax was provided over the past three years (fiscal 2020, fiscal 2019, and fiscal 2018) according to the provisions of the Companies Act, 2013.

## Balance sheet

		FY18	FY19	FY20
		Audited	Audited	Audited
<b>Liabilities</b>				
Tangible net worth	Rs lakh	1,056.47	1,243.80	1,435.03
Deferred tax liabilities / (assets)	Rs lakh	23.81	27.67	28.87
Long-term debt	Rs lakh	91.40	56.66	0.78
<i>of which, current portion of long-term debt</i>	<i>Rs lakh</i>	<i>35.49</i>	<i>32.29</i>	<i>0.78</i>
Short-term debt	Rs lakh	197.73	-	-
<i>of which, working capital borrowing from banks</i>	<i>Rs lakh</i>	<i>197.73</i>	<i>-</i>	<i>-</i>
Other liabilities and provisions	Rs lakh	234.55	111.94	118.02
<b>Total liabilities</b>	<b>Rs lakh</b>	<b>1,603.96</b>	<b>1,440.07</b>	<b>1,582.70</b>
<b>Assets</b>				
Net fixed assets	Rs lakh	341.62	433.30	459.45
Investments	Rs lakh	26.46	7.98	3.46
Inventory	Rs lakh	749.91	497.31	721.81
Receivables (total)	Rs lakh	137.97	226.33	284.17
<i>of which, receivables greater than six months</i>	<i>Rs lakh</i>	<i>1.74</i>	<i>1.63</i>	<i>5.94</i>
Cash and bank balance	Rs lakh	267.22	164.61	11.83
Other current assets	Rs lakh	80.78	110.54	101.98
<b>Total assets</b>	<b>Rs lakh</b>	<b>1,603.96</b>	<b>1,440.07</b>	<b>1,582.70</b>

### Notes:

- Long-term debt as of fiscal 2020 comprised vehicle loan of Rs 0.78 lakh availed from HDFC Bank.
- Other liabilities and provisions as of fiscal 2020 comprised advance from customers of Rs 46.07 lakh, creditors for goods of Rs35.74 lakh, creditors for expenses of Rs21.83 lakh, provisions of Rs 7.64 lakh, and other current liabilities of Rs6.74 lakh.
- Net block of major fixed assets as of fiscal 2020 comprised building of Rs 195.46 lakh, plant and machinery of Rs 176.51 lakh, vehicles of Rs 46.29 lakh and land of Rs 19.25 lakh.
- Investments as of fiscal 2020 comprise fixed deposits with banks.
- Inventory as of fiscal 2020 comprises raw materials of Rs518.73 lakh, work in progress of Rs170.89 lakh, and finished goods of Rs32.20 lakh.
- Other current assets as of fiscal 2020 comprised GST credit balance with government authority of Rs 55.56 lakh, loans and advances of Rs 36.81 lakh, FPO account of Rs 4.01 lakh, prepaid expenses of Rs 3.64 lakh, interest accrued and not due of Rs 1.93 lakh.



## Key financial ratios

For the year ended / as at		FY18	FY19	FY20
		Audited	Audited	Audited
OPBDIT margin	%	6.36	7.70	8.60
PAT margin	%	3.30	4.66	5.59
Return on capital employed	%	12.45	21.86	22.41
Gross current assets	days	104	67	97
Days inventory (on COP)	days	89	44	70
Days receivable (on gross sales)	days	13	16	22
Days payable (on materials)	days	19	3	4
Current ratio	Times	2.59	6.91	9.42
PBDIT Interest cover	Times	7.94	44.24	45.55
Net cash accruals/Total debt	%	46.09	385.43	30059.62
Debt service coverage ratio	Times	2.63	6.40	6.16
Average cost of borrowing	%	8.53	4.26	26.70
Total outside liabilities/Tangible net worth	Times	0.52	0.16	0.10
Gearing - Total debt/Tangible net worth	Times	0.27	0.05	-
Gearing (considering promoter loans as neither debt nor equity)	Times	0.27	0.05	-
Cash /TOL	%	48.81	87.94	10.35

### Notes:

- OPBDIT margin increased in fiscal 2020 mainly on account of decrease in material cost as a percentage of operating income.
- Receivables and payables over the past three years (fiscal 2020, fiscal 2019, and fiscal 2018) were in line with credit terms.

## Fund flow statement

For the year ended		FY19	FY20
<b>Sources of funds</b>			
Net cash accruals	Rs lakh	218.40	234.40
Equity infusion / Share application money	Rs lakh	-	-
Long-term debt borrowed (net)	Rs lakh	-	-
Short-term debt borrowed (net)	Rs lakh	-	-
Decrease in net current assets	Rs lakh	89.96	-
Sale of investments / fixed assets	Rs lakh	26.46	-
Other sources	Rs lakh	20.39	2.91
<b>Total sources of funds</b>	<b>Rs lakh</b>	<b>355.21</b>	<b>237.31</b>
<b>Uses of funds</b>			
Investment and fixed assets purchased	Rs lakh	122.74	62.55
Decrease in tangible net worth	Rs lakh	-	6.77
Long-term debt repaid (net)	Rs lakh	31.54	24.37
Short-term debt repaid (net)	Rs lakh	200.93	31.52
Increase in net current assets	Rs lakh	-	112.10
Other uses	Rs lakh	-	-
<b>Total uses of funds</b>	<b>Rs lakh</b>	<b>355.21</b>	<b>237.31</b>

### Notes:

- Other sources in fiscal 2020 refers to an increase in deferred tax liability.
- Net current assets increased in fiscal 2020 due to an increase in inventory and receivables.
- Net current assets decreased in fiscal 2019 due to decrease in inventory and cash and bank balance.

## Contingent liabilities

**Contingent liabilities as of fiscal 2020:** Nil

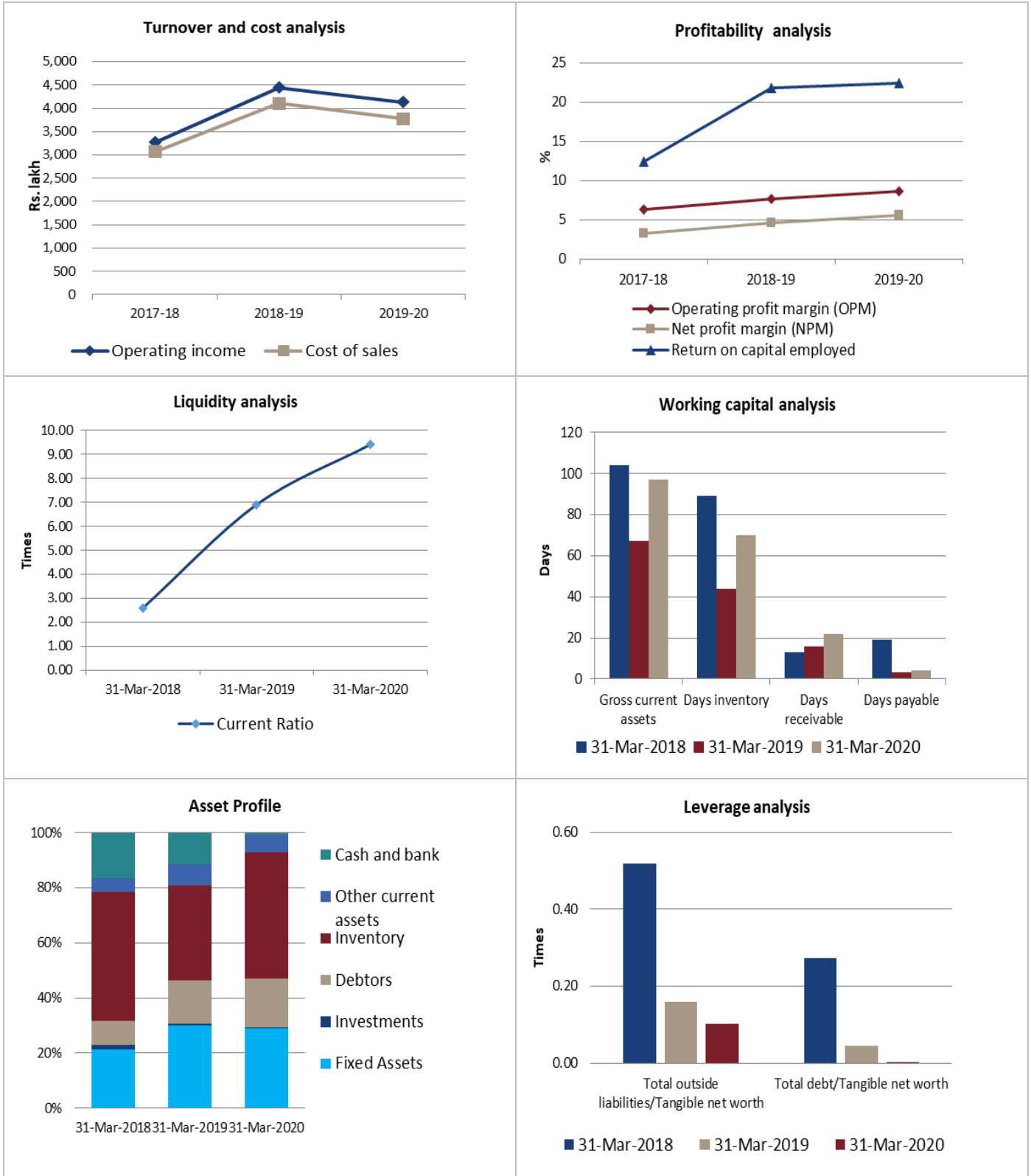
## Auditors

Santlal Patel and Company; Chartered Accountants  
Phoenix complex, Near Suraj Plaza, Sayajigunj  
Vadodara-390 005, Gujarat  
Membership no.: 163712

**Auditors' comments and observations in their audit report for fiscal 2020, fiscal 2019, and fiscal 2018:** No adverse comment

**Change in auditors, if any:** None

## Graphs



## Banking facilities

Name and location of the bank	Length of relationship	Facilities availed	Type of facility	Loan amount	Rate (%)
Axis Bank Vadodara, Gujarat	1 year	Cash credit	Fund-based limit	Rs 500.00 lakh**	8.75
		Letter of credit	Non-fund based limit		
		Bank guarantee			
HDFC Bank Vadodara, Gujarat	8 years	Vehicle loan	Fund-based limit	Rs 0.78 lakh*	9.25

\*Outstanding as of fiscal 2020

\*\*Sanctioned limit

**Feedback:** The performance of the account is satisfactory.

## Site visit

<b>Address of the site visited</b>	:	Plot no. 6, Raj Industrial Estate Vadadala, Near Samalaya Crossing Vadodara – 391 520, Gujarat
<b>Date of site visit</b>	:	January 9, 2021
<b>No. of floors occupied</b>	:	Ground floor
<b>Size of premises</b>	:	1,755 square meter
<b>Number of employees at the location</b>	:	32 (At the time of site visit)
<b>Child labour at the site</b>	:	No
<b>Locality</b>	:	Industrial
<b>Location area</b>	:	Rural
<b>Site location</b>	:	Side lanes
<b>Site used as</b>	:	<ul style="list-style-type: none"> <li>• Administrative office</li> <li>• Regional office</li> <li>• Sales office</li> <li>• Factory or works</li> <li>• Warehouse</li> </ul>
<b>Site layout</b>	:	Spacious and well organised
<b>Space around the building / structure</b>	:	<ul style="list-style-type: none"> <li>• Front porch</li> <li>• Back yard</li> <li>• Side space</li> </ul>
<b>State of infrastructure</b>	:	<ul style="list-style-type: none"> <li>• Power: Stable</li> <li>• Backup power: Available</li> <li>• Water: Available</li> <li>• Labour unions: None</li> <li>• Transportation: Easily availability</li> <li>• Overall infrastructure: Satisfactory</li> </ul>
<b>Electricity consumption</b>	:	<ul style="list-style-type: none"> <li>• October 2020 - 2,336 units</li> <li>• November 2020 – 2,480 units</li> <li>• December 2020 – 2,031 units</li> </ul>
<b>Building structure</b>	:	Permanent structure
<b>Ownership of premises</b>	:	Owned
<b>Sharing premises with group concerns</b>	:	No
<b>Facilities available at the site</b>	:	<ul style="list-style-type: none"> <li>• Telephone</li> <li>• Internet</li> <li>• Generator</li> <li>• Name or sign boards</li> <li>• Security guards</li> <li>• Fire extinguisher</li> <li>• Name or sign boards</li> <li>• Drinking water</li> <li>• Drainage and sewerage</li> <li>• Transport arrangement</li> <li>• Boundary wall</li> <li>• Pantry and canteen</li> </ul>
<b>Installed capacity</b>	:	1,400.00 tonnes per month
<b>Utilised capacity</b>	:	55.00 per cent

<b>Raw materials used</b>	:	Steel colour-coated coils, and galvanized pipes
<b>Source of raw material</b>	:	Domestic: 100.00%
<b>Environmental clearance obtained by unit</b>	:	Obtained

**THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK**

## CRISIL SME Solutions Contacts

### Head Office

#### CRISIL House

Central Avenue  
Hiranandani Business Park  
Powai, Mumbai 400 076  
**Tel:** +91 22 3342 3000  
**Fax:** +91 22 3342 3001

**Contact:** Mr. Surendran  
Jayasankaran  
**E-mail:**  
Surendran.Jayasankaran@crisil.com

### CRISIL Branch Offices

#### Bengaluru

W - 101, 1st floor, Sunrise  
Chambers, 22, Ulsoor Road,  
Bengaluru - 560042  
INDIA

**Phone:** +91 44 66563128  
**Fax:** +91 80 4244 5300

**Contact:** Mr. Surendran  
Jayasankaran  
**E-mail:**  
Surendran.Jayasankaran@crisil.com

#### Chennai

Thapar House, Mezzanine Floor,  
No. 37 Montieth Road,  
Egmore,  
Chennai - 600 008  
INDIA

**Phone:** +91 44 66563128  
**Fax:** +91 44 2854 7531

**Contact:** Mr. Surendran  
Jayasankaran  
**E-mail:**  
surendran.jayasankaran@crisil.com

#### Gurgaon

CRISIL House  
Plot No. 46, Sector 44,  
Opp PF Office, Gurgaon,  
Haryana,  
INDIA  
**Phone:** +91 44 66563128

**Contact:** Mr. Surendran  
Jayasankaran  
**E-mail:**  
Surendran.Jayasankaran@crisil.com

#### Hyderabad

Uma Chambers, 3rd Floor,  
Plot No. 9&10, Nagarjuna Hills,  
Near Punjagutta Cross Road  
Hyderabad - 500 082  
INDIA  
**Phone:** +91 44 66563128

**Fax:** +91 40 2335 7507

**Contact:** Mr. Surendran  
Jayasankaran  
**E-mail:**  
Surendran.Jayasankaran@crisil.com

#### Kolkata

Convergence Building  
3rd Floor, D2/2, EPGP Block  
Sector V, Salt Lake City,  
Kolkata - 700 091  
INDIA

**Phone:** +91 44 66563128  
**Fax:** +91 33 4011 8250

**Contact:** Mr. Surendran  
Jayasankaran  
**E-mail:**  
Surendran.Jayasankaran@crisil.com

#### Pune

1187/17, Ghole Road  
Shivaji Nagar  
Pune 411 005

**Phone:** +91 44 66563128

**Fax:** +91 20 4018 1930

**Contact:** Mr. Surendran  
Jayasankaran  
**E-mail:**  
Surendran.Jayasankaran@crisil.com

## Other Contact Points

#### Coimbatore

#### Coimbatore

CRISIL Limited  
New No. 750-7, Old No. 1055-6,  
1st Floor Gowtham Centre.  
Opposite Nilgiris, Avinashi Road  
Coimbatore – 641 018  
**Phone:** +91 44 66563128

**Contact:** Mr. Surendran  
Jayasankaran  
**E-mail:**  
Surendran.Jayasankaran@crisil.com

#### New Delhi

S 205, Dev Tower,  
Samachar Market,  
Mayur Vihar, Ext Phase I,  
New Delhi – 110091

#### Contact:

**Phone:** +91 44 66563128

**Contact:** Mr. Surendran  
Jayasankaran  
**E-mail:**  
Surendran.Jayasankaran@crisil.com





## About CRISIL Limited

CRISIL is a leading, agile and innovative global analytics company driven by its mission of making markets function better.

CRISIL, its subsidiaries and associates, provide ratings, gradings, data, research, analytics and solutions, infrastructure advisory, and benchmarking services to its clients. Details of the services provided by CRISIL are available at <https://crisil.com/>

It is majority owned by S&P Global Inc (SPGI), a leading provider of transparent and independent ratings, benchmarks, analytics, and data to the capital and commodity markets worldwide. Details of the services provided by SPGI are available at [https://www.standardandpoors.com/en\\_US/web/guest/home](https://www.standardandpoors.com/en_US/web/guest/home)

## About CRISIL Research

CRISIL Research, a division of CRISIL, is India's largest independent integrated research house and is registered as a Research Analyst with SEBI (Registration No INH000007854). We provide insights, opinion, analysis, and data on the Indian economy, industry, capital markets, and companies. We also conduct executive training programs, predominantly in the area of credit and risk management. We are India's one of the most credible providers of economy and industry research. Our analysis is supported by inputs from our large network of sources, including industry experts, industry associations, and trade channels. We play a key role in India's fixed income markets, being the largest provider of valuation of fixed income securities to the mutual fund, insurance, and banking sector in the country. We are also a prominent provider of debt and hybrid indices to India's mutual fund and life insurance industries as benchmarks for performance assessment.

CRISIL Research also undertakes Equity and Debt valuation, publishes Mutual Fund Ranking for mutual fund schemes (across equity, debt, and hybrid asset classes) and provides Portfolio Analytics for Institutional Investors, which involves deep analysis of portfolio for corporates, pension funds, and provident funds at an asset class level. Our platform for wealth managers, Alphatrx, offers in-depth analysis of performance and portfolio-based attributes for diverse asset classes. It also enables investors to assess industry and company level risks based on CRISIL's proprietary models. We also provide Equity Support services to the domestic market intermediaries that use our research reports to assist their clients in making investment decisions in relation to listed or to be listed securities in India.

Quantix, our integrated data and analytics platform, finds use in diverse functions across the financial sector, corporates, and consulting firms including business strategy, deal/ loan origination, credit underwriting, risk monitoring, and treasury/ investment management.

Our Company reports (that combine select financial and non-financial data, analytics from our proprietary risk models, and commentary on company's financial performance) are used by large commercial banks and financial institutions as part of their credit/ risk management process.

Our SME Gradings, used by lenders, assess creditworthiness of SME enterprises relative to the peers leveraging our proprietary grading model. The framework includes assessment of entity-level financial and operating performance, as well as industry-level drivers.

Our defining trait is the ability to convert information and data into expert judgments and analytics with utmost objectivity. We leverage our deep understanding of the macro-economy and our extensive sector coverage to provide unique insights on micro-macro and cross-sectoral linkages. Our talent pool comprises of economists, sector experts, company analysts and information management specialists.

## CRISIL Privacy

CRISIL respects your privacy. We may use your contact information, such as your name, address, and email id to fulfil your request and service your account and to provide you with additional information from CRISIL. For further information on CRISIL's privacy policy please visit [www.crisil.com/privacy](http://www.crisil.com/privacy).

## Analyst Disclosure

Members of the team (including their relatives) involved in the preparation of this report and whose names are published as part of this report hereby affirm that there exists no conflict of interest (including any financial interest or actual/ beneficial ownership of 1% or more of the securities of the subject companies) that can bias the output of the Report. Further, neither the members have served as officers, directors, or employees of the companies analyzed in the report in the last 6 months nor have they engaged in market making activities for the subject companies.

## Company Disclosure

1. CRISIL Research or its associates do not provide investment banking or merchant banking or brokerage or market making services.
2. CRISIL Research encourages independence in research report preparation and strives to minimize conflict in preparation of research reports through strong governance architecture comprising of policies, procedures, and disclosures.
3. CRISIL Research prohibits its analysts, persons reporting to analysts, and their relatives from having any financial interest in the securities or derivatives of companies that the analysts cover.
4. CRISIL Research or its associates collectively may own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.
5. CRISIL Research or its associates may have financial interest in the form of holdings in the subject company mentioned in this report.
6. CRISIL receives compensation from the company mentioned in the report or third party in connection with preparation of the research report.
7. As a provider of ratings, grading, data, research, analytics and solutions, infrastructure advisory, and benchmarking services, CRISIL or its associates are likely to have commercial transactions with the company and may receive compensation for the services provided.
8. CRISIL Research or its associates do not have any other material conflict of interest at the time of publication of the report.
9. No material disciplinary action has been taken against CRISIL Research or its analysts by any Regulatory Authority impacting Research Analyst activities.

Last updated: November 2020