

# Bansal Roofing Products Limited

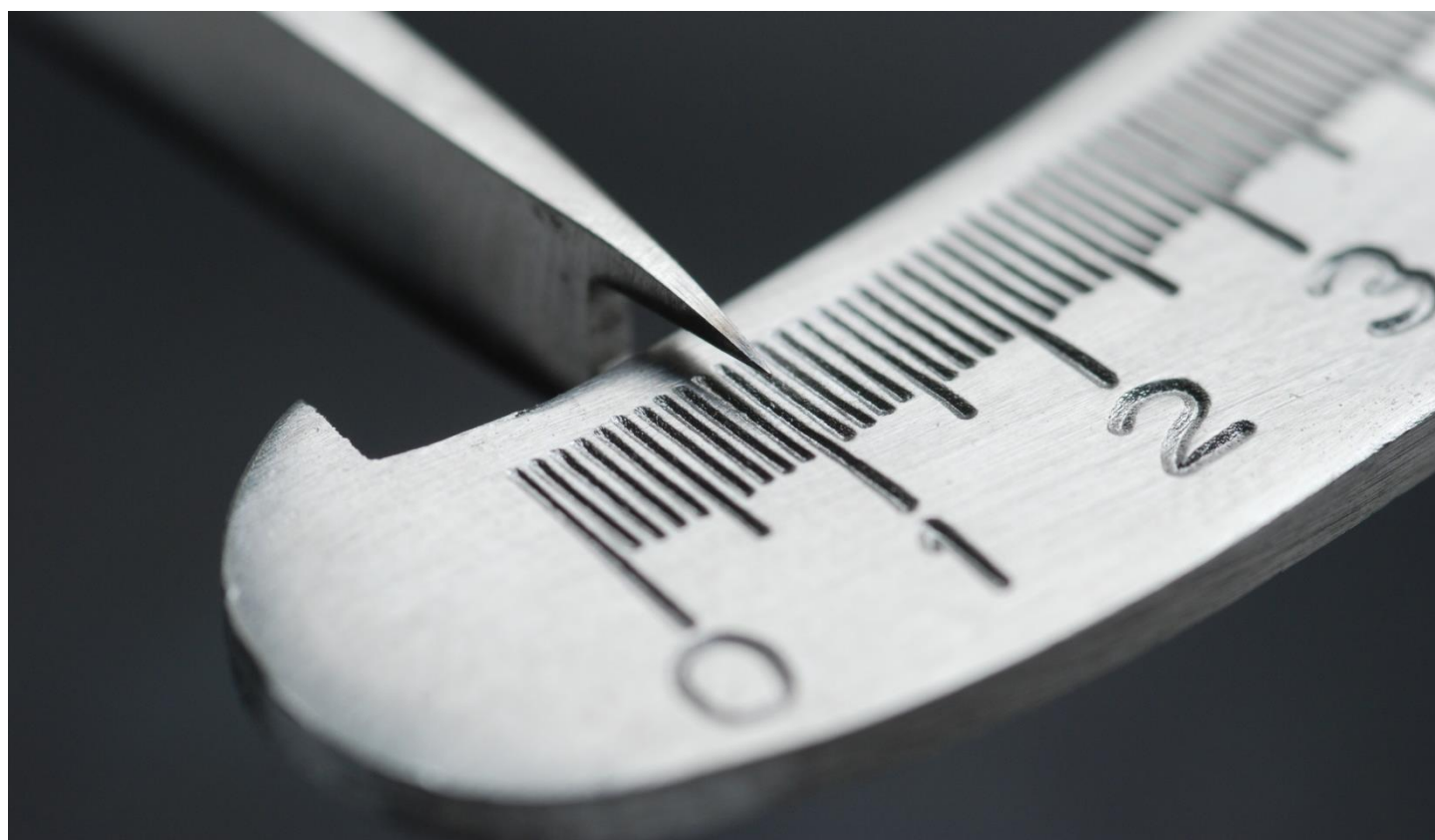
**CRISIL Rating: CRISIL MSE 1**

**Financial strength:** Highest

**Operating performance:** High

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

**Report Date:** December 18, 2019 / **Valid Till:** December 16, 2020



## Important notice

The rating is a one-time exercise and the rating will not be kept under surveillance. This rating 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 rating seeks a review of the rating, if the organisation experiences significant changes/events during this period, which could impact the organisation/its rating.

The rating and this report are based on the information provided to CRISIL by the organisation and/or obtained by CRISIL from sources it considers reliable including published annual reports, management meetings, industry data and discussions with bankers, customers and suppliers. CRISIL does not guarantee the accuracy, adequacy or completeness of any information on which the rating and the report are based and is not responsible for any errors or omissions for the results/opinions obtained from the use of the rating or the rating report. The rating does not constitute an audit of the organisation by CRISIL. The rating is also not a recommendation to enter into or not enter into any transaction with the organisation. CRISIL reserves the right to disclose the organisation's rating and the rating report to Government and/or Regulatory Authorities/Courts of Law if required to do so. CRISIL or its associates may have other commercial transactions with the company/entity.

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## CRISIL MSE Rating

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	

## Rating history

Rating	Financial Strength	Operating Strength	Assigned on	Valid till	Rating acceptance	Remarks
MSE 2	Highest	High	December 18, 2018	December 17, 2019	Rating accepted	Renewal
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 rating drivers

### Business and management

<b>Name of the company</b>	<b>Bansal Roofing Products Limited</b>
<b>Strengths</b>	<ul style="list-style-type: none"> <li>• <b>Promoters' extensive experience in the steel industry, and building materials leading to established relations with customers and suppliers:</b> The promoters have more than 2 decades of relevant experience in the steel and building material industry. Also, the company offers wide range of products which find application in various industries. Thus, the company will continue to benefit from its promoter's extensive industry knowledge and insights.</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>Diversified product offering and widespread geographic presence:</b> The company has a diversified product base which includes fibre reinforced plastic (FRP) roofing sheet, pre-engineered building, polycarbonate sheet, colour coated roof sheet, and accessories etc. It caters to customers across India and African countries. Also longstanding relationship with suppliers such as JSW Steel etc. has enabled it to offer a diverse range of building materials. This gives the rated company a competitive edge.</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 certification for its products ensure adherence to high quality standards.</li> <li>• <b>Healthy profitability:</b> The company's margin improved in the past 3 years. It registered healthy operating profit before depreciation, interest, and tax (OPBDIT) margin of 7.70%, and profit after tax (PAT) margin of 4.66% in fiscal 2019.</li> </ul>
<b>Risk factors</b>	<ul style="list-style-type: none"> <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>Comfortable capital base:</b> A large capital base of Rs 1,243.80 lakh as of fiscal 2019 makes the company more resilient to economic downturns. This also provides it higher ability of absorbing losses and financial problems, and enhances its ability to access capital markets for future capital expenditure.</li> <li>• <b>Low reliance on external debt:</b> The company's low dependence on external debt provides for exigency funding and protects its profitability from interest payments. This in turn provides the flexibility to reinvest accrual in the business.</li> <li>• <b>Adequate credit protection measures:</b> The company's net cash accrual to total debt was more than 100%, and interest coverage ratio was 44.24 times as of fiscal 2019, which indicates ability to make regular repayments for its existing financial obligations.</li> <li>• <b>Healthy RoCE:</b> This is reflected in adequate return on capital employed</li> </ul>
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(RoCE) of 21.86% in fiscal 2019, and 15.31% in fiscal 2018. This implies the company has adequate resources to meet its business obligations.

- **Working capital management:** The company's working capital is managed efficiently as reflected in its low gross current assets (GCA) days. This is due to its low debtor turnaround and inventory days over the past 3 fiscals ended fiscal 2019. Also, the company's payables were in line with its credit terms for the past 3 years.
- **Adequate liquidity:** The company has an adequate cash/TOL ratio of 87.94%, and current ratio of 6.91 times as of fiscal 2019, which reflects comfortable liquid cash available to meet its debt obligations.

## Key developments and plans

### Revenues:

- In the previous rating exercise (fiscal 2018), the company had projected net sales of Rs 5,000.00 lakh for fiscal 2019, against which it recorded net sales of Rs 4,347.76 lakh in fiscal 2019. It almost achieved its projections in fiscal 2019, and there was increase in revenue against fiscal 2018, and fiscal 2017 due to regular orders from its customers, coupled with additions in customer base. Also, the company increased its production capacity utilisation.

### Business:

- The company's business remains the same, there are no major deviations in the business model since the past rating exercise.
- It manufactures roofing products/sheets such as colour coated roofing sheet, metal roofing sheets, roofing accessories and pre-engineered structures and sells under its brand name 'Bansal'.
- It also bids for tenders floated by government organisations.
- The company is utilising 51% of its production capacity.

### Certification:

- In fiscal 2019, the company has been life time member of Indo-German Chamber of Commerce, The Confederation of Indian Industry (CII).

### Customer:

- Major clients added in fiscal 2019 includes:
  - Excelsource International Private Limited
  - S C Engineering
  - Manico Minerals International Private Limited
  - Kutch Chemical Industries Limited
  - M G Engineering
  - Dev Fabrication and Builders
  - Aarti Industries Limited
  - ABB Limited

### Ownership pattern:

Shareholding pattern as of:	Fiscal 2019
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Name of the shareholders	Share in capital (%)
Kaushal Kumar Gupta	45.06
Sangeeta Gupta	17.29
Satish Kumar Gupta	4.49
Kailash Gupta	1.18
Jignesh Gupta	0.09
Individuals (public)	31.89
<b>Total</b>	<b>100.00</b>

### Fixed asset base:

- In fiscal 2019, the company purchased the following fixed assets of Rs 122.74 lakh:
  - Factory building
  - Plant and machinery
  - Vehicles
  - Furniture and fixtures
  - Computer and office equipment
- The funding of the assets were done through promoters own funds.

**Plans:**

- In the previous rating exercise (2018), the company had indicated no capital expenditure cost plan for fiscal 2019.
- In fiscal 2020, the company plans to set up a new unit. However, the plan is at a nascent stage. The plan is likely to be executed in around 2 years.

**Other information;**

- The area of manufacturing facility is around 40,000.00 sq. ft.
- The alternate contact details is +91 2652 581 082/ +91 9925 060 542.
- Agrawal Associates (group company) is profitable as of fiscal 2019, and there exists transactions between group concerns, as confirmed by management.
- Share price movements:
  - Share price as of: December 31, 2019
  - Share price: Rs 33.00
  - 52-week high: Rs 49.00
  - 52-week low: Rs 24.80
  - Price quotes from: [www.bseindia.com](http://www.bseindia.com)



## Financial profile

### Current financial performance

Performance from April 1, 2019 to December 25, 2019		
Net sales	Rs lakh	3,136.87
OPBDIT	Rs lakh	291.14
Current order book	Rs lakh	81.93
Debtors	Rs lakh	203.22
Creditors	Rs lakh	66.52
Capitals	Rs lakh	1,477.50
Total debt	Rs lakh	145.32

Projected / estimated performance in		FY20
Net sales	Rs lakh	4,800.00
PBT	Rs lakh	305.00
PBT margin	%	6.35

## Past financial performance

### Profit and loss account

For the year ended		FY17	FY18	FY19
		Audited	Audited	Audited
Number of months		12	12	12
Net sales	Rs lakh	2,715.00	3,225.57	4,347.76
Operating income	Rs lakh	2,728.72	3,272.71	4,447.02
Cost of sales	Rs lakh	2,548.75	3,064.48	4,104.73
OPBDIT	Rs lakh	179.97	208.23	342.28
Interest and finance costs	Rs lakh	30.24	24.66	7.36
OPBDT	Rs lakh	149.73	183.57	334.92
Depreciation	Rs lakh	25.58	25.26	31.06
OPBT	Rs lakh	124.15	158.31	303.85
Non-operating income / (expense)	Rs lakh	-	-	-
PBT	Rs lakh	124.15	158.31	303.85
Extraordinary income / (expense)	Rs lakh	(10.96)	(12.44)	(16.43)
Reported PBT	Rs lakh	113.19	145.87	287.43
Provision for taxes	Rs lakh	26.77	35.65	76.36
Deferred tax liability / (asset)	Rs lakh	8.38	2.22	3.86
PAT	Rs lakh	78.04	108.00	207.20*
Dividends	Rs lakh	-	-	19.87
Net cash accrual	Rs lakh	103.62	133.26	218.40

\*(profit after tax during fiscal 2019 includes profits during the year of Rs 203.81 lakh, and dividend distribution tax of Rs 3.39 lakh)

#### Notes:

- Net sales increased in the past 3 years due to regular orders from its customers, coupled with additions in customer base. Also, the company increased its production capacity utilisation.
- Net sales bifurcation during fiscal 2017, fiscal 2018, and fiscal 2018 refers to;

For the year ended		FY17	FY18	FY19
Gross sales	Rs Lakh	3,027.13	3,761.16	5,124.61
(less) Taxes	Rs Lakh	312.13	535.59	776.85
<b>Total</b>	<b>Rs Lakh</b>	<b>2,715.00</b>	<b>3,225.57</b>	<b>4,347.76</b>

- Other operating income in fiscal 2019 refers to labour income of Rs 65.49 lakh, and miscellaneous income of Rs 33.77 lakh.
- Interest and finance costs for fiscal 2019 comprised interest on borrowings of Rs 4.08 lakh and bank charges of Rs 3.28 lakh.
- Interest and finance costs decreased in fiscal 2019 on account of partial repayment of long-term loan, and low utilisation of short-term facility.
- Interest and finance costs for fiscal 2018 comprised interest on borrowings of Rs 18.11 lakh and bank charges of Rs 6.55 lakh.
- Depreciation was charged according to the provisions of the Companies Act, 2013.
- Depreciation changed in fiscal 2019 on account of additions in the fixed assets base.
- Extraordinary expense in fiscal 2019 refers to miscellaneous expenses.
- Deferred tax was provided in fiscal 2019, fiscal 2018, and fiscal 2017, according to the provisions of the Companies Act, 1956.

## Balance sheet

		FY17	FY18	FY19
		Audited	Audited	Audited
<b>Liabilities</b>				
Capital	Rs lakh	618.88	1,056.47	1,243.80
Deferred tax liabilities / (assets)	Rs lakh	21.59	23.81	27.67
Long-term debt	Rs lakh	134.26	91.40	56.66
<i>of which, current portion of long-term debt</i>	<i>Rs lakh</i>	<i>33.55</i>	<i>35.49</i>	<i>32.29</i>
Short-term debt	Rs lakh	83.03	197.73	-
<i>of which, working capital borrowing from banks</i>	<i>Rs lakh</i>	<i>83.03</i>	<i>197.73</i>	<i>-</i>
Other liabilities and provisions	Rs lakh	211.65	234.55	111.94
<b>Total liabilities</b>	<b>Rs lakh</b>	<b>1,069.41</b>	<b>1,603.96</b>	<b>1,440.07</b>
<b>Assets</b>				
Net fixed assets	Rs lakh	372.67	341.62	433.30
Investments	Rs lakh	-	26.46	-
Inventory	Rs lakh	475.80	749.91	497.31
Receivables (total)	Rs lakh	117.49	137.97	226.33
<i>of which, receivables greater than six months</i>	<i>Rs lakh</i>	<i>9.24</i>	<i>1.74</i>	<i>1.63</i>
Cash and bank balance	Rs lakh	23.63	267.22	172.59
Other current assets	Rs lakh	79.82	80.78	110.54
<b>Total assets</b>	<b>Rs lakh</b>	<b>1,069.41</b>	<b>1,603.96</b>	<b>1,440.07</b>

### Notes:

- Long-term debt as of fiscal 2019 comprised;
  - Term loan of Rs 54.13 lakh from Yes Bank
  - Vehicle loan of Rs 2.53 lakh from HDFC Bank
- Other liabilities and provisions as of fiscal 2019 comprised creditors for goods of Rs 28.17 lakh, creditors for expenses of Rs 21.24 lakh, advance from customers of Rs 27.89 lakh, statutory duties payables of Rs 20.78 lakh, and other provisions payables of Rs 13.86 lakh.
- Fixed assets of Rs 122.74 lakh were added in fiscal 2019. The following were the main fixed assets added during the year :
  - Factory building
  - Plant and machinery
  - Vehicles
  - Furniture and fixtures
  - Computer and office equipment
- Inventory as of fiscal 2019 comprised raw materials of Rs 365.43 lakh, work in progress of Rs 114.08 lakh, and finished goods of Rs 17.81 lakh.
- Other current assets as of fiscal 2019 comprised advance to suppliers and others of Rs 83.75 lakh, exhibition subsidy receivable of Rs 1.30 lakh, deposit of Rs 4.07 lakh, prepaid expenses of Rs 8.00 lakh, interest subsidy on term loan receivable of Rs 3.39 lakh, and FPO receivable of Rs 10.04 lakh.

## Key financial ratios

For the year ended / as at		FY17	FY18	FY19
		Audited	Audited	Audited
OPBDIT margin	%	6.60	6.36	7.70
PAT margin	%	2.86	3.30	4.66
Return on capital employed	%	16.27	15.31	21.86
Gross current assets	days	85	104	67
Days inventory (on COP)	days	68	89	44
Days receivable (on gross sales)	days	14	13	16
Days payable (on materials)	days	21	19	3
Current ratio	Times	2.06	2.59	6.91
PBDIT interest cover	Times	5.59	7.94	44.24
Net cash accrual/Total debt	%	47.69	46.09	More than 100
Debt service coverage ratio	Times	3.08	0.50	6.35
Average cost of borrowing	%	10.63	9.74	4.26
Total outside liabilities/Tangible net worth	Times	0.73	0.52	0.16
Gearing - Total debt/Tangible net worth	Times	0.35	0.27	0.05
Gearing (considering promoter loans as neither debt nor equity)	Times	0.35	0.27	0.05
Cash /TOL	%	5.24	48.81	87.94

### Notes:

- Operating margin increased in fiscal 2019 on account of decline in material costs as a percentage of operating income.
- Receivables and payables in fiscal 2019, fiscal 2018, and fiscal 2017, were in line with the credit terms.
- Average cost of borrowing decreased in fiscal 2019 due to partial repayment of long-term loan, and low utilisation of short-term facility.

## Fund flow statement

For the year ended		FY18	FY19
<b>Sources of funds</b>			
Net cash accrual	Rs lakh	133.26	218.40
Equity infusion / Share application money	Rs lakh	329.59	-
Long-term debt borrowed (net)	Rs lakh	-	-
Short-term debt borrowed (net)	Rs lakh	116.64	-
Decrease in net current assets	Rs lakh	-	89.96
Sale of investments / fixed assets	Rs lakh	5.79	26.46
Other sources	Rs lakh	4.09	20.39
<b>Total sources of funds</b>	<b>Rs lakh</b>	<b>589.37</b>	<b>355.21</b>
<b>Uses of funds</b>			
Investment and fixed assets purchased	Rs lakh	26.46	122.74
Decrease in tangible net worth	Rs lakh	-	-
Long-term debt repaid (net)	Rs lakh	44.80	31.54
Short-term debt repaid (net)	Rs lakh	-	200.93
Increase in net current assets	Rs lakh	516.77	-
Other uses	Rs lakh	1.34	-
<b>Total uses of funds</b>	<b>Rs lakh</b>	<b>589.37</b>	<b>355.21</b>

**Notes:** Other sources in fiscal 2019 refer to decrease in receivables greater than 6 months and increase in deferred tax liability.

## Contingent liabilities

**Contingent liabilities as on fiscal 2019:** Nil

## Auditors

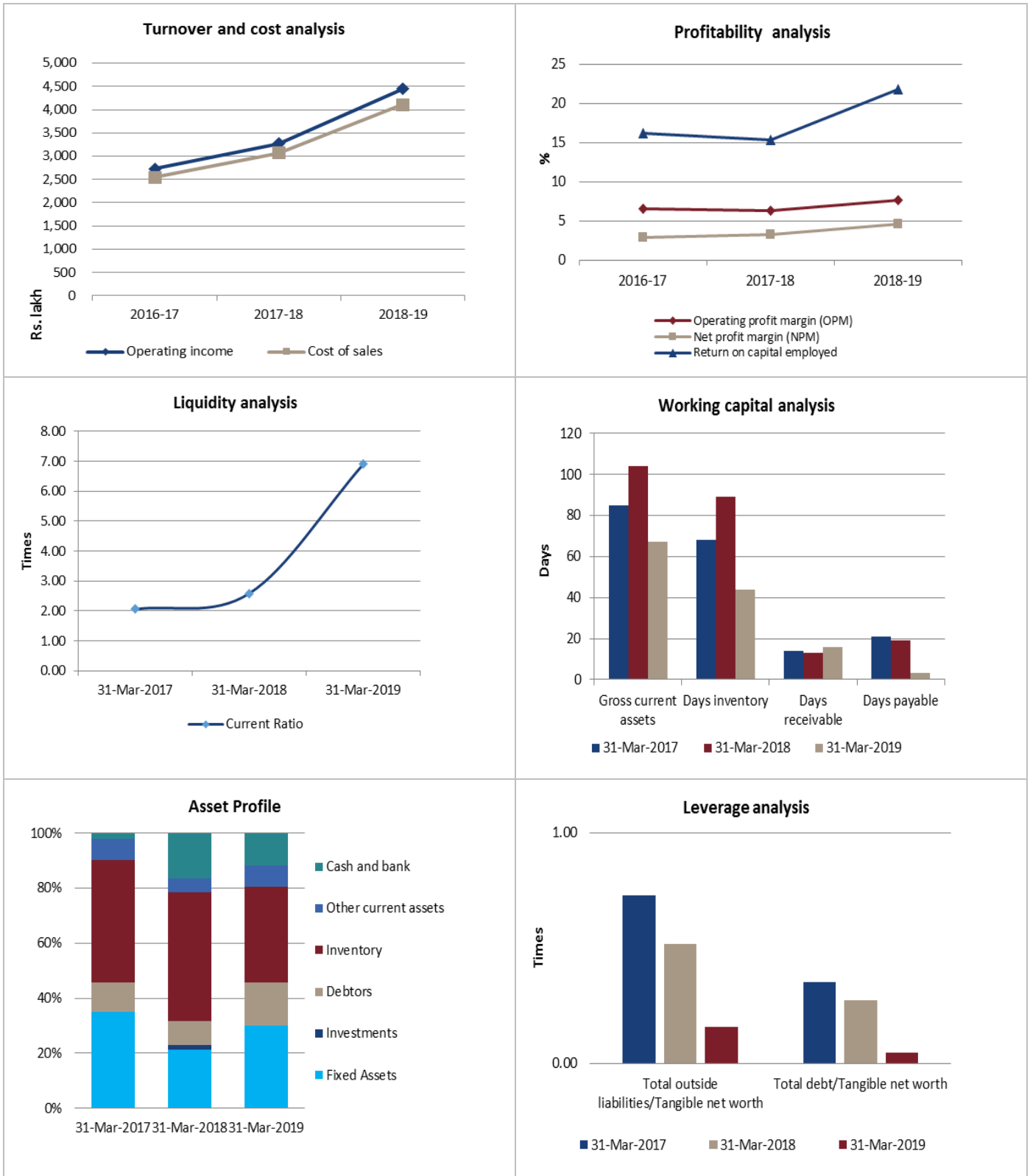
Santlal Patel and Co., Chartered Accountants  
Phoenix complex, Near Suraj Plaza, Sayajigunj  
Vadodara-390 005, Gujarat  
Membership no.: 163712

**Auditors' comments and observations in their audit report for fiscal 2019, fiscal 2018, and fiscal 2017:**

No adverse comments

**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 (%)
Yes Bank, Vadodara, Gujarat	5 years	Current account	Not applicable		
		Letter of credit	Non-fund based limit	Rs 150.00 lakh*	-
		Bank guarantee		Rs 150.00 lakh*	-
		Term loan	Fund-based limit	Rs 54.13 lakh**	9.00 %
		Cash credit		Rs 275.00 lakh*	10.50 %
HDFC Bank, Vadodara, Gujarat	7 years	Vehicle loan		Rs 2.53 lakh**	9.25 %

\*Sanctioned limit

\*\*Outstanding as of fiscal 2019

**Notes:** 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>No. of floors occupied</b>	:	Ground floor
<b>Size of premises</b>	:	1,997.25 square feet
<b>Number of employees at the location</b>	:	80 (At the time of site visit)
<b>Child labour at the site</b>	:	No
<b>Locality</b>	:	Industrial
<b>Location area</b>	:	Urban
<b>Site location</b>	:	Main road
<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> </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: Do not exist</li> <li>• Transportation: Easily availability</li> <li>• Overall infrastructure: Satisfactory</li> </ul>
<b>Electricity consumption</b>	:	<ul style="list-style-type: none"> <li>• September 2019: around 6,321.00 units</li> <li>• October 2019: around 7,319.00 units</li> <li>• November 2019: around 6,623.00 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>• 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>	:	51.00 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



**Photographs of the facility:**



**Image 1**



**Image 2**



**Image 3**



**Image 4**

## **Annexure: Previous Rating Report**

# Bansal Roofing Products Limited

**NSIC-CRISIL Rating: CRISIL MSE 2**

**Financial strength:** Highest

**Operating performance:** High

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

**Report Date:** December 18, 2018 / **Valid Till:** December 17, 2019





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## NSIC-CRISIL performance and credit rating

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CRISIL MSE 2: financial strength: highest, operating strength: high

## Key rating drivers

### Business and management

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• <b>Organisational stability coupled with experienced promoters:</b> Established track record of 10 years in roofing accessories and pre-engineering structures business, coupled with the promoters' experience of more than 2 decades in the same line of business, indicates the company's ability to weather economic and business cycles. Also, the company has an experienced second-tier management that has decision-making powers, which shall help in maintaining organisational stability.</li> <li>• <b>Established relations with suppliers and customers</b> result in uninterrupted supply of raw material and result in healthy revenue growth of 20.18 % over the last 3 years from fiscal 2016 to fiscal 2018. The company has established a strong customer base that includes reputed ones such as:             <ul style="list-style-type: none"> <li>○ Larsen and Toubro Limited (CRISIL AAA/Stable)</li> <li>○ Bharat Heavy Electrical Limited (CRISIL AA+/Stable)</li> <li>○ Tata Motors Limited (CRISIL A1+)</li> </ul> </li> <li>• <b>Wide geographical presence:</b> The company has more than 500 customers across India and African countries. This mitigates the risk of geographic concentration.</li> <li>• <b>Increasing net sales</b> year-on-year was because of the management's focus on domestic sales, which increased to Rs 3,225.57 lakh in fiscal 2018 from around Rs 2,715.00 lakh in fiscal 2017. The company also estimates net sales of Rs 4,500.00 lakh in fiscal 2019.</li> <li>• <b>Brand recognition:</b> The company sells under its own brand 'Bansal' which ensures strong goodwill and stability in demand in the long run and reduces dependency on a few customers.</li> <li>• <b>ISO certification:</b> The company has an ISO-9001:2015 quality certification which ensures adherence to high quality standards and also enhances the company's brand value and demand prospects.</li> <li>• <b>High focus on quality:</b> The company has an in-house facility, headed by Ameya Kumar Koley (production head), to conduct quality tests at each stage of the manufacturing process, which enhances the product quality and leads to a competitive advantage.</li> </ul>
<b>Risk factors</b>	<ul style="list-style-type: none"> <li>• <b>Factors that may constrain margins in the future:</b> <ul style="list-style-type: none"> <li>○ Intense competition from new and established players</li> <li>○ Volatility in price of raw material</li> </ul> </li> <li>• <b>Low capacity utilisation</b> of ~ 40% may constrain cash flows to absorb depreciation costs and fixed costs. This may pressure margin in the future.</li> </ul>



## Financial

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• <b>Strong credit protection measures as reflected in</b> Net cash accruals to total long-term secured debt of 46.09 % and PBDIT interest cover of 7.94 times in fiscal 2018.</li> <li>• <b>Low gearing:</b> The company had a gearing of 0.27 time and total outside liabilities/tangible net worth of 0.52 time as of fiscal 2018, reflecting low reliance on external borrowings to fund the working capital and capital expenditure (capex) requirements.</li> <li>• <b>Strong liquidity:</b> The company recorded a cash/TOL of 48.81 % and current ratio of 2.59 times as of fiscal 2018, indicating improved liquidity.</li> <li>• <b>Working capital management:</b> Receivable and payable days as of fiscal 2018 were in line with the credit period of the company, reflecting adequate working capital management.</li> <li>• <b>Adequate profitability,</b> as reflected in operating profit before depreciation, interest, and tax (OPBDIT) margin of 6.36 %, profit after tax (PAT) margin of 3.3 %, and return on capital employed (RoCE) of 15.31 % in fiscal 2018.</li> </ul>
<b>Risk factors</b>	<ul style="list-style-type: none"> <li>• <b>Moderate gross current assets (GCA):</b> The company's gross current assets were moderate at 134 days in fiscal 2018, indicating time required to convert inventory to sales and collection period. The management's ability to quickly convert its current assets into cash and manage the working capital intensity remains to be seen.</li> </ul>

## 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> </ul>
<b>Registered with</b>	Registrar of Companies, Gujarat
<b>Registration number</b>	U25206GJ2008PLC053761
<b>SSI registration number</b>	EM/224/01/91/20/04682
<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: December 21, 2018 Share price: Rs 47.00 52-week high: Rs 65.00 52-week low: Rs 28.00 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 – 2580 178/+91 9825 050 682 Fax: +91 265 – 2581 365 Email: <a href="mailto:cs@bansalroofing.com">cs@bansalroofing.com</a> , <a href="mailto:sales@bansalroofing.com">sales@bansalroofing.com</a> , <a href="mailto:admin2@bansalroofing.com">admin2@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</li> <li>• Merit Award in 2015 from Skoch Achievers Academy</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>○ Green Build India</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 24,000.00 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> <li>○ Foundation Bolt</li> </ul> </li> </ul>

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

**Manufacturing process of roofing sheets**

Raw material procurement



Cutting as per the drawing



Pre-treatment



Drying oven



Coating unit



Baking oven



Cooling



Shearing



Colour coated coils



Quality control



Packing and dispatch

**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) varies from 1% to 3% depending upon the tender size.

**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 India and also exports to Rwanda (East Africa), which constitutes around 1% of the total net sales.

**Quality team**

- The company has a quality control team, headed by Ameya Kumar Koley, for checking the quality of the

		finished goods.
		<b>Transportation</b> <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>	:	17 years
<b>Product range</b>	:	Diversified
<b>Degree of competition</b>	:	High; entry barriers are low
<b>Plans</b>	:	The company does not have any expansion or diversification plans for the near future.
<b>Customer profile</b>	:	Direct customers
<b>Installed capacity/facility</b>	:	1,400.00 tonnes per month
<b>Utilised capacity</b>	:	40.00%

## Revenue 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	5 years	Varies annually
ABB Limited (CRISIL AAA/Stable)	Gujarat		1 year	
Bharat Heavy Electricals Limited (CRISIL AA+/Stable)	New Delhi		3 years	
Deepak Nitrite Limited	Maharashtra		6 years	
VA Tech Wabag Limited	Tamil Nadu		1 year	
Aarti Industries Limited (CRISIL AA-/Stable)	Across Gujarat			
Ashapura Minechem Limited	Across India		4 years	
Rubamin Limited				
Aditya Birla Group	Vadodara			

### 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	:	1.0-1.5 % of net sales
Marketing network	:	<ul style="list-style-type: none"> <li>The company has around six members in the</li> </ul>

		<p>marketing team for undertaking client meetings and maintaining relations with existing as well as prospective customers.</p> <ul style="list-style-type: none"> <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	10 years
Bhushan Power and Steel Limited	Orissa	Galvanised coils, galvanised pipes, and galvanised sheets	2 years
JSW Steel Limited	Across India		6 years

Terms of purchase	:	Credit up to 30 days
Raw material availability	:	Ample
Raw material price volatility	:	High
Ability to pass on raw material price increase	:	Yes
Imports	:	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**



Outer view of the facility – I



Inner view of the facility - I



Inner view of the facility – II



Inner view of the facility - III



## Ownership and Management

### Directors' profile

<b>Director's name</b>	:	Kaushal Kumar Gupta
<b>Age</b>	:	48 years
<b>Qualification</b>	:	BE (Industrial engineering)
<b>Designation / responsibilities</b>	:	Chairman and Managing Director
<b>Relevant experience</b>	:	<b>25 years:</b> <ul style="list-style-type: none"> <li>• 12 years through Ashinishi Marketing and Engineering as partner</li> <li>• 13 years through group company and the rated company</li> </ul>
<b>Personal net worth</b>	:	Rs. 1,400.00 lakh (As of fiscal 2018)
<b>Director's address</b>	:	C-45, Shreedhar Park Society Opposite Novino Batteries, Makarpura Vadodara – 390 010, Gujarat
<b>Telephone no.</b>	:	+91 9825 050 682
<b>Ownership of residence</b>	:	Owned
<b>Vehicles used</b>	:	Honda Mobilio

<b>Director's name</b>	:	Satish Kumar Gupta
<b>Age</b>	:	57 years
<b>Qualification</b>	:	Diploma (Mechanical engineering)
<b>Designation / responsibilities</b>	:	Whole time director
<b>Previous experience</b>	:	15 years through ABB Limited as an executive engineer
<b>Relevant experience</b>	:	18 years through the rated company
<b>Personal net worth</b>	:	Rs.200.00 lakh (as of fiscal 2018)
<b>Director's address</b>	:	B-46, Girdharpark, Makarpura Vadodara – 390 010, Gujarat
<b>Telephone no.</b>	:	+91 9825 030 682

<b>Director's name</b>	:	Sangeeta Gupta
<b>Age</b>	:	46 years
<b>Qualification</b>	:	MA (English)
<b>Designation / responsibilities</b>	:	Whole time director
<b>Relevant experience</b>	:	9 years and 5 months through the rated company
<b>Personal net worth</b>	:	Rs.6,00.00 lakh (as of fiscal 2018)
<b>Director's address</b>	:	C-45, Shreedhar Park Society Opposite Novino Batteries, Makarpura Vadodara – 390 010, Gujarat
<b>Telephone no.</b>	:	+91 026 5258 1082

<b>Director's name</b>	:	Bhavita Gurjar
<b>Age</b>	:	33 years
<b>Qualification</b>	:	BCom
<b>Designation / responsibilities</b>	:	Non-executive Independent Director/Audit committee
<b>Relevant experience</b>	:	3 years through the rated company
<b>Personal net worth</b>	:	Details sought by CRISIL, not provided by company
<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>	:	47 years
<b>Qualification</b>	:	MSc
<b>Designation / responsibilities</b>	:	Non-executive Independent Director/Nomination and remuneration committee
<b>Relevant experience</b>	:	3 years through the rated company
<b>Personal net worth</b>	:	Details sought by CRISIL, not provided by company
<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/Investor Grievance Committee
<b>Relevant experience</b>	:	3 years through the rated company
<b>Personal net worth</b>	:	Details sought by CRISIL, not provided by company
<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 director's is as disclosed by the management and not certified.*

## Key management personnel

<b>Name</b>	:	Niladri Seal
<b>Age</b>	:	45 years
<b>Qualification</b>	:	BCom
<b>Designation / responsibilities</b>	:	Manager/Administration and accounts
<b>Relevant experience</b>	:	14 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>	:	31 years
<b>Qualification</b>	:	Postgraduate (MCom)
<b>Designation / responsibilities</b>	:	CFO (Chief Financial Officer)
<b>Relevant experience</b>	:	7 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 Nitin Shah
<b>Age</b>	:	30 years
<b>Qualification</b>	:	Postgraduate
<b>Designation / responsibilities</b>	:	Company Secretary and compliance officer
<b>Relevant experience</b>	:	6 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>	:	49 years
<b>Qualification</b>	:	Diploma in Mechanical Engineering
<b>Designation / responsibilities</b>	:	Plant/Production head
<b>Relevant experience</b>	:	21 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>	:	60 years
<b>Qualification</b>	:	BCom
<b>Designation / responsibilities</b>	:	Manager/Export
<b>Relevant experience</b>	:	36 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

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

## Ownership pattern

Shareholding pattern as on: March 31, 2018

Name of the shareholder	Share in capital (%)
Kaushal Kumar Gupta	43.82
Satish Kumar Gupta	6.74
Jignesh Kaushal Gupta	0.09
Sangeeta Gupta	16.75
Kailash Kaushal Gupta	0.73
Individuals (public)	31.87
<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, 2018	Rs 1,195.00 lakh	Rs 4.38 lakh	Rs 73.37 lakh	Rs 0.54 lakh

PAT: Profit after tax

### Notes:

- Kaushal Kumar Gupta is the proprietor of Agrawal Associates.
- There are 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 for the period April 1, 2018 to October 31, 2018		
Net sales	Rs lakh	2,780.63
OPBDIT	Rs lakh	216.73
Current order book	Rs lakh	300.00
Debtors	Rs lakh	121.64
Creditors	Rs lakh	35.68
Capital	Rs lakh	329.58
Total debt	Rs lakh	136.60
Total debt- equity ratio	Times	0.41

Projected / estimated performance during		FY19
Net sales	Rs lakh	4,500.00*
PBT	Rs lakh	300.00
PBT margin	%	15.00

\*Management estimate high net sales in fiscal 2019 on account of new customers added.

## Past financial performance

### Profit and loss account

For the year ended		FY16	FY17	FY18
		Audited	Audited	Audited
Number of months		12	12	12
Net sales	Rs lakh	2,233.19	2,715.00	3,225.57
Operating income	Rs lakh	2,253.61	2,728.72	3,272.71
Cost of sales	Rs lakh	2,110.99	2,548.75	3,064.48
OPBDIT	Rs lakh	142.62	179.97	208.23
Interest and finance costs	Rs lakh	21.11	30.24	24.66
OPBDT	Rs lakh	121.51	149.73	183.57
Depreciation	Rs lakh	17.94	25.58	25.26
OPBT	Rs lakh	103.57	124.15	158.31
Non-operating income / (expense)	Rs lakh	-	-	-
PBT	Rs lakh	103.57	124.15	158.31
Extraordinary expenses	Rs lakh	(10.48)	(10.96)	(12.44)
Reported PBT	Rs lakh	93.09	113.19	145.87
Provision for taxes	Rs lakh	25.20	26.77	35.65
Deferred tax liability / (asset)	Rs lakh	3.62	8.38	2.22
PAT	Rs lakh	64.27	78.04	108.00
Dividends	Rs lakh	-	-	-
Net cash accruals	Rs lakh	82.21	103.62	133.26

#### Notes:

- Gross sales as on fiscal 2018 amounts to 3,789.64 comprises sale of roofing products worth Rs 3761.15 lakh and labour income worth Rs 28.48 lakh.
- Net sales increased in fiscal 2018 on account of increased capacity utilisation and more orders from pre-engineering building projects.
- Interest and finance costs for fiscal 2018 comprised interest on borrowings worth Rs 18.11 lakh and bank charges worth Rs 6.55 lakh.
- Depreciation is charged according to the provisions of the Companies Act, 2013.

## Balance sheet

		FY16	FY17	FY18
		Audited	Audited	Audited
<b>Liabilities</b>				
Capital	Rs lakh	540.84	618.88	1,056.47
Deferred tax liabilities / (assets)	Rs lakh	13.20	21.59	23.81
Long-term debt	Rs lakh	120.31	134.26	91.40
<i>of which, current portion of long-term debt</i>	<i>Rs lakh</i>	<i>21.12</i>	<i>33.55</i>	<i>35.49</i>
Short-term debt	Rs lakh	231.14	83.03	197.73
<i>of which, working capital borrowing from banks</i>	<i>Rs lakh</i>	<i>231.14</i>	<i>83.03</i>	<i>197.73</i>
Other liabilities and provisions	Rs lakh	98.54	211.65	234.55
<b>Total liabilities</b>	<b>Rs lakh</b>	<b>1,004.03</b>	<b>1,069.41</b>	<b>1,603.96</b>
<b>Assets</b>				
Net fixed assets	Rs lakh	323.76	372.67	341.62
Investments	Rs lakh	-	-	26.46
Inventory	Rs lakh	326.74	475.80	749.91
Receivables (total)	Rs lakh	139.89	117.49	137.97
<i>of which, receivables greater than 6 months</i>	<i>Rs lakh</i>	<i>2.39</i>	<i>9.24</i>	<i>1.74</i>
Cash and bank balance	Rs lakh	41.54	23.63	267.22
Other current assets	Rs lakh	172.10	79.82	80.78
<b>Total assets</b>	<b>Rs lakh</b>	<b>1,004.03</b>	<b>1,069.41</b>	<b>1,603.96</b>

### Notes:

- Tangible net worth as of fiscal 2018 comprised of:
  - Share capital worth Rs 329.58 lakh
  - Reserve and surplus worth Rs 371.11 lakh
  - Security premium worth Rs 355.72 lakh
- Long-term debt as of fiscal 2018 comprised:
  - Term loan of Rs. 84.66 lakh from Yes Bank
  - Vehicle loan of Rs. 6.74 lakh from HDFC Bank
- Short-term debt as of fiscal 2018 refers to cash credit limit of Rs.197.73 lakh availed from Yes Bank (sanctioned limit of Rs 275.00 lakh).
- Other liabilities and provisions as of fiscal 2018 comprised:
  - Trade payables for goods and services of Rs 141.62 lakh
  - Trade payables for expenses of Rs 8.80 lakh
  - Other current liabilities refers to statutory dues worth Rs 2.14 lakh and advance from customers worth Rs 61.05 lakh
- Other current assets as of fiscal 2018 mainly comprised:
  - Deposits worth Rs 3.91 lakh
  - Short-term loans and advances worth Rs 72.09 lakh
  - Unsecured and considered goods worth Rs 4.77 lakh



### Key financial ratios

For the year ended / as at		FY16	FY17	FY18
		Audited	Audited	Audited
OPBDIT margin	%	6.33	6.60	6.36
PAT margin	%	2.85	2.86	3.30
Return on capital employed	%	14.24	16.27	15.31
Gross current assets	days	95	85	134
Days inventory (on COP)	days	56	68	89
Days receivable (on gross sales)	days	21	14	13
Days payable (on materials)	days	5	21	19
Current ratio	Times	1.85	2.06	2.59
PBDIT Interest cover	Times	6.26	5.59	7.94
Net cash accruals/Total debt	%	23.39	47.69	46.09
Debt service coverage ratio	Times	3.36	3.08	0.50
Average cost of borrowing	%	7.49	10.63	9.74
Total outside liabilities/Tangible net worth	Times	0.86	0.73	0.52
Gearing - Total debt/Tangible net worth	Times	0.65	0.35	0.27
Gearing (considering promoter loans as neither debt nor equity)	Times	0.65	0.35	0.27
Cash /TOL	%	8.97	5.24	48.81

#### Notes

- Operating margin remained in the range of 6.30-6.60 % from fiscal 2016 to fiscal 2018.
- Receivables and payables over all 3 years (fiscal 2017, fiscal 2016, and fiscal 2015) have been in line with credit terms.
- Gearing remained comfortable at below 0.65 times over the last three financial years.

## Fund flow statement

For the year ended		FY17	FY18
<b>Sources of funds</b>			
Net cash accruals	Rs lakh	103.62	133.26
Equity infusion / Share application money	Rs lakh	-	329.59
Long-term debt borrowed (net)	Rs lakh	1.52	-
Short-term debt borrowed (net)	Rs lakh	-	116.64
Decrease in net current assets	Rs lakh	97.36	-
Sale of investments / fixed assets	Rs lakh	-	5.79
Other sources	Rs lakh	11.93	4.09
<b>Total sources of funds</b>	<b>Rs lakh</b>	<b>214.43</b>	<b>589.37</b>
<b>Uses of funds</b>			
Investment and fixed assets purchased	Rs lakh	74.49	26.46
Decrease in tangible net worth	Rs lakh	-	-
Long-term debt repaid (net)	Rs lakh	-	44.80
Short-term debt repaid (net)	Rs lakh	135.68	-
Increase in net current assets	Rs lakh	-	516.77
Other uses	Rs lakh	4.26	1.34
<b>Total uses of funds</b>	<b>Rs lakh</b>	<b>214.43</b>	<b>589.37</b>

### Note:

- Rights issue shares worth Rs 109.86 lakh were issued in fiscal 2018
- Security premium shares worth Rs 219.72 lakh were issued in fiscal 2018
- Increase in net current assets in fiscal 2018 was on account of increase in receivables and inventory.

## Contingent liabilities

**Contingent liabilities as of fiscal 2018:** Nil

## Auditors

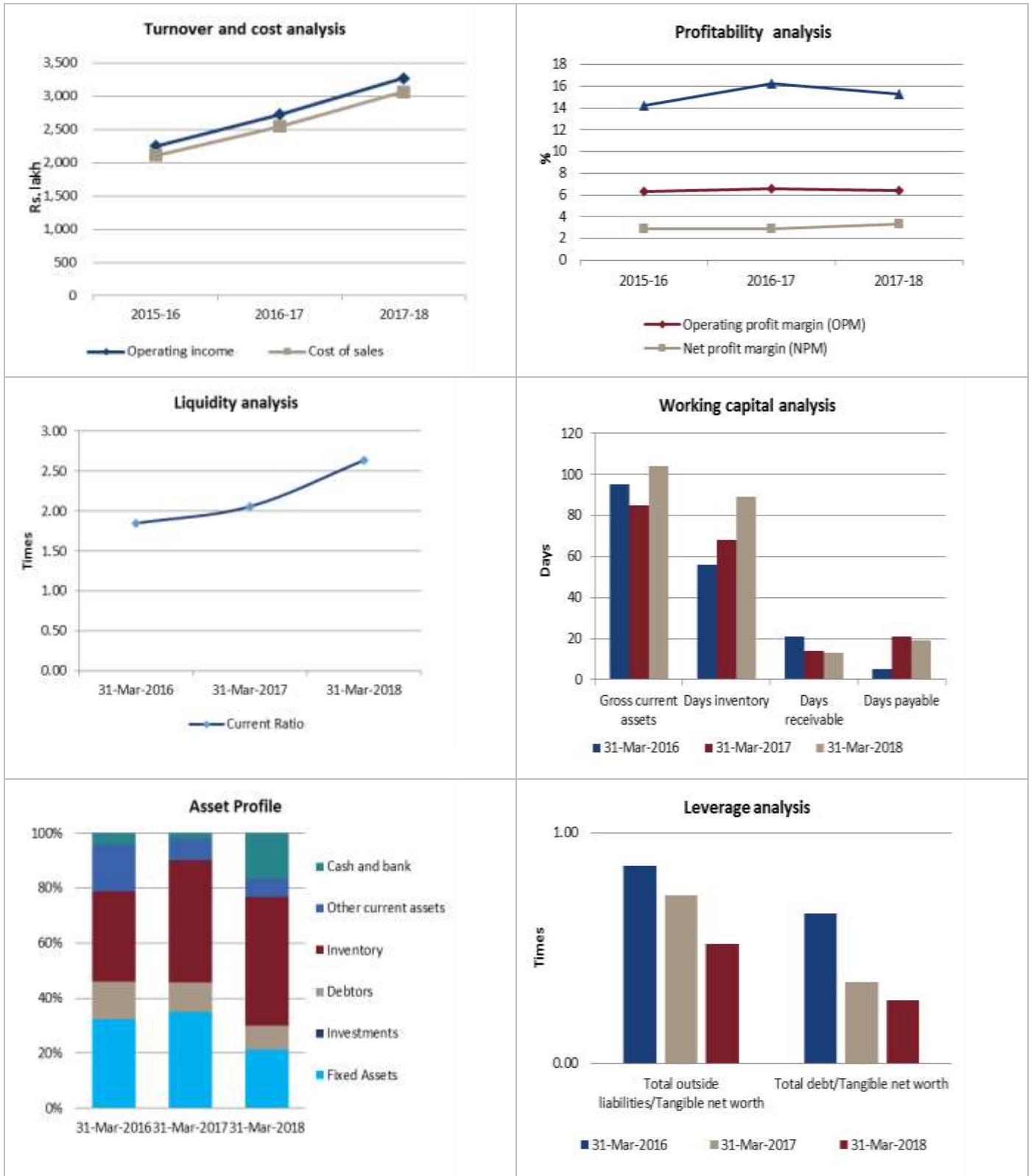
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**Auditors' comments and observations in their audit report for fiscal 2018, fiscal 2017, and fiscal 2016:**

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 (%)
Yes Bank, Vadodara, Gujarat	4 years	Term loan	Fund-based limit	Rs 84.66 lakh**	9.00 %
		Cash credit		Rs 275.00 lakh*	10.50 %
HDFC Bank, Vadodara, Gujarat	6 years	Vehicle loan		Rs 6.74 lakh**	9.25 %

\*Sanctioned limit

\*\*Outstanding as on March 31, 2018

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

## Site visit

(As per previous report)

<b>Address of the site visited</b>	:	3/2, Labdhi Industrial Estate Acid Mill Compound Ranmukteshwar Road, Pratapnagar Vadodara – 390 004 Gujarat
<b>Date of site visit</b>	:	December 7, 2017
<b>CRISIL representative</b>	:	Snehal Vyas
<b>Unit official contacted</b>	:	Amiya Kumar Koley
	:	Plant/Production head
	:	+91 9979 873 257
	:	<a href="mailto:project@bansalroffing.com">project@bansalroffing.com</a>
<b>No. of floors occupied</b>	:	Ground Floor
<b>Size of premises</b>	:	3,000.00 sq. ft.
<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>	:	Urban
<b>Site location</b>	:	Main road
<b>Site used as</b>	:	<ul style="list-style-type: none"> <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>• Backyard</li> <li>• Side space</li> </ul>
<b>Location advantages</b>	:	None
<b>State of infrastructure</b>	:	<ul style="list-style-type: none"> <li>• Power: Unstable</li> <li>• Backup power: Unavailable</li> <li>• Water: Available</li> <li>• Labour unions: Do not exist</li> <li>• Transportation: Easily available</li> <li>• Overall infrastructure: Satisfactory</li> </ul>
<b>Electricity consumption</b>	:	September 2017      1,036    units October 2017        1,220    units November 2017      2,409    units
<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>• Security guards</li> <li>• Name or sign boards</li> <li>• Fire extinguisher</li> <li>• Drinking water</li> <li>• Transport arrangement</li> <li>• Drainage and sewerage</li> <li>• Pantry and canteen</li> </ul>

<b>Installed capacity</b>	:	1,500 tonnes per month
<b>Utilised capacity</b>	:	35.00%
<b>Raw material used</b>	:	Steels, colour-coated coils, galvanised pipes
<b>Source of raw material</b>	:	Locally
<b>Environmental clearance obtained by unit</b>	:	Obtained
<b>Other observations</b>	:	None

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