

# Bansal Roofing Products Limited

**CRISIL Grading: CRISIL SME 1**

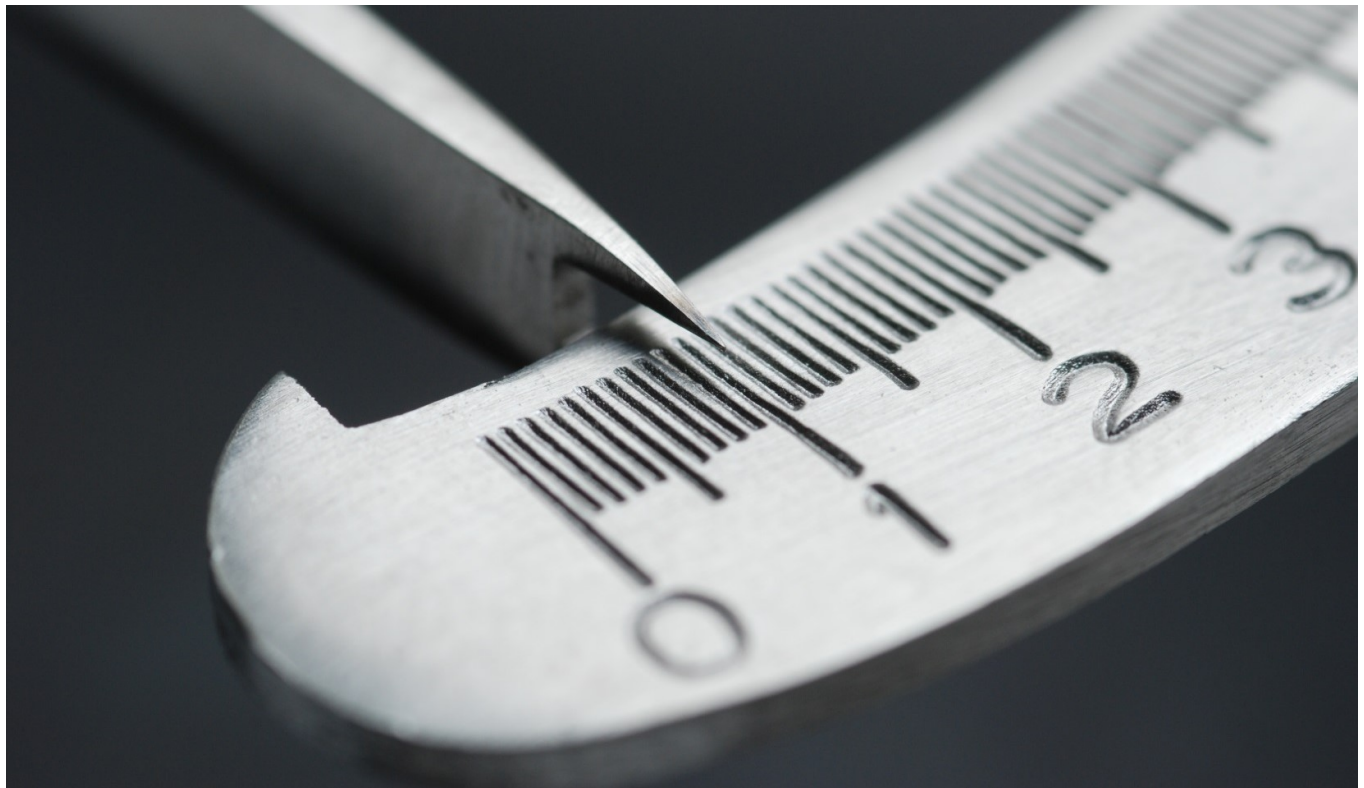
**Financial strength: Highest**

**Operating performance: High**

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

Report Date: December 17, 2021 / Valid Till: December 16, 2022

Corresponds to 'MSE 1' indicating 'Highest' on financial strength and 'High' on operating performance, and 'Highest' on overall creditworthiness, adjudged in relation to other SMEs.



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## CRISIL SME GRADING

SME 1 indicates 'Highest' creditworthiness in relation to other SMEs	CRISIL SME Rating	Definition
	SME 1	Highest
	SME 2	High
	SME 3	Good
	SME 4	Above Average
	SME 5	Average
	SME 6	Below Average
	SME 7	Weak
	SME 8	Poor

## CRISIL MSE Grading

<b>CRISIL MSE 1</b> 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
MSE1	Highest	High	December 17,2020	December 16,2021	Grading accepted	Renewal
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 14 years in industry, along with more than 27 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 8.43% and profit after tax (PAT) of 5.36% in fiscal 2021</li></ul>
<b>Risks 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>Adequate return on capital employed (RoCE):</b> This is reflected in return on capital employed (RoCE) of 18.62% in fiscal 2021, 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 0.13 times and total outside liabilities/tangible net worth of 0.32 times as of fiscal 2021.</li><li>• <b>Adequate credit protection measures:</b> The company's debt protection measures are strong, with interest coverage ratio of 31.81 times, net cash accrual to total debt ratio of more than 100.00% and debt-service coverage ratio of 24.62 times in fiscal 2021.</li><li>• <b>Adequate liquidity:</b> The company has an adequate cash to meet its debt obligations as reflected in cash/total outside liabilities ratio of 9.26% and current ratio of 3.33 times as of fiscal 2021, which reflects adequate liquid cash</li></ul>
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available to meet its debt obligations.

- **Working capital:** The company had a healthy cash conversion cycle in fiscal 2021 as receivables days (18 days), inventory days (70 days) and payable days (15) 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> <li>• <b>2021:</b> <ul style="list-style-type: none"> <li>○ Shilpa Jadeja resigned as Non-executive Independent Director/Nomination and remuneration committee. <ul style="list-style-type: none"> <li>○ Beena Bisht resigned as Non-executive Independent Director/Investor Grievance Committee</li> <li>○ Mrs. Enu shah is been appointed as Independent Director</li> <li>○ Mr. Ravi Bhandari is been appointed as Independent Director</li> <li>○ 14<sup>th</sup> December 2021 Company Migrated into Main board of BSE</li> </ul> </li> </ul> </li> </ul>
<b>Registered with</b>	Registrar of Companies, Gujarat
<b>Registration number</b>	L25206GJ2008PLC053761
<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>Udyam Registration Number</b>	UDYAM-GJ-24-0009550



<b>Managing director</b>	Kaushal Kumar Gupta
<b>Category of entrepreneur</b>	General
<b>Listed at</b>	BSE
<b>Share price movements</b>	Share price as on: January 20, 2022 Share price: Rs 66.00 52-week high: Rs 69.40 52-week low: Rs 11.00 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:kaushalgupta@bansalroofing.com">kaushalgupta@bansalroofing.com</a> Website: <a href="http://www.bansalroofing.com">www.bansalroofing.com</a>
<b>Marketing office</b>	Shop No- 01, Kupurai Chokdi, near Highway Cover Bridge, Dabohi Road, Vadodara- 390004
<b>Manufacturing facilities</b>	Plot no. 6, Raj Industrial Estate Vadadala, Near Samalaya Crossing Vadodara – 391 520, Gujarat
<b>Manufacturing facilities 2</b>	Bansal Roofing Products Limited Unit II, 274, Paiki-2, Pratapnagar, Savli, Samlaya Sherpura Road, Near KEC, Vadodara-391520, Gujarat.
<b>Number of employees</b>	Permanent: 69 Contractual: 20 <b>Total: 89</b> There has been no change in the firm's employee base since previous grading exercise of fiscal 2021.
<b>Certifications and awards</b>	<ul style="list-style-type: none"> <li>• ISO 9001:2015 (validity details not provided to CRISIL)</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> <li>○ Indo-German Chamber of Commerce, The Confederation of Indian Industry (CII)</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

#### **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 Jordan and Rwanda (East Africa), which constitutes around 1% of the total net sales.

	<p><b>Quality team</b></p> <ul style="list-style-type: none"> <li>The company has a quality control team, headed by Amiya 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>	: 14 years
<b>Product range</b>	: Diverse
<b>Degree of competition</b>	: High; entry barriers are low
<b>Plans</b>	: The company have another unit now for producing Hitech PEB with all latest Machinery. Plant will commence from Feb 2022.
<b>Customer profile</b>	: Direct customers
<b>Installed capacity/facility</b>	: 1410 metric tonnes per month
<b>Utilised capacity</b>	: 70.00%

## 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	8 years	Varies annually
Meghmani	Gujarat		6 years	
Deepak Nitrite Limited	Maharashtra		9 years	
Tata Projects	Maharashtra		4 years	
Aarti Industries Limited (CRISIL AA-/Stable)	Across Gujarat			
Ashapura Minechem Limited	Across India		7 years	
Rubamin Limited				
Aditya Birla Group	Vadodara			
ABB Limited (CRISIL AAA/Stable)	Gujarat	PEB	3 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	:	1.0-1.5 % 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	13 years
Essar	Gujarat	Galvanised coils, galvanised pipes, and galvanised sheets	5 years
Surat Ispat	Maharashtra		9 years

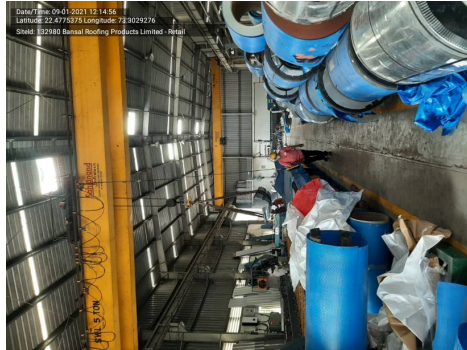
<b>Terms of purchase</b>	:	Credit up to 30 days
<b>Raw material availability</b>	:	Ample
<b>Raw material price volatility</b>	:	High
<b>Ability to pass on raw material price increase</b>	:	Yes
<b>Imports</b>	:	None

## 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 3**



**Image 2**



**Image 4**

## Ownership and management

### Directors' profile

<b>Director's name</b>	:	Kaushal Kumar Gupta
<b>Age</b>	:	51 years
<b>Qualification</b>	:	BE (Industrial engineering)
<b>Designation / responsibilities</b>	:	Chairman and Managing director /Overall management
<b>Promoters' experience in current business</b>	:	16 years
<b>Experience in the same line of business (including current experience)</b>	:	<b>28 years:</b> <ul style="list-style-type: none"> <li>• 12 years through Ashinishi Marketing and Engineering as partner</li> <li>• 16 years through group company and the rated company</li> </ul>
<b>Personal net worth</b>	:	Data not provided to CRISIL
<b>Director's address</b>	:	A-104, Darshanam Splendora, Akshar Pavilion Road, Bhayli near Nilamber Circle, Vadodara-391410
<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>	:	MBA
<b>Designation / responsibilities</b>	:	Whole time director
<b>Promoters' experience in current business</b>	:	2 years
<b>Previous Experience</b>	:	1 year
<b>Director's address</b>	:	A-104, Darshanam Splendora, Akshar Pavilion Road, Bhayli near Nilamber Circle, Vadodara-391410
<b>Telephone no.</b>	:	9173147763



<b>Director's name</b>	:	Sangeeta Gupta
<b>Age</b>	:	49 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>	:	12 years
<b>Personal net worth</b>	:	Data not provided to CRISIL
<b>Director's address</b>	:	A-104, Darshanam Splendor, Akshar Pavilion Road, Bhayli near Nilamber Circle, Vadodara-391410
<b>Telephone no.</b>	:	+91 9925060542

<b>Director's name</b>	:	Bhavita Gurjar
<b>Age</b>	:	36 years
<b>Qualification</b>	:	BCom
<b>Designation / responsibilities</b>	:	Independent Director/Audit committee
<b>Promoters' experience in current business</b>	:	
<b>Experience in the same line of business (including current experience)</b>	:	6 years
<b>Personal net worth</b>	:	Data not provided to CRISIL
<b>Director's address</b>	:	C - 43, Shreedhar Park Behind Makarpura Depo Vadodara - 390 010, Gujarat
<b>Telephone no.</b>	:	+91 9925060542

<b>Director's name</b>	:	Enu shah
<b>Age</b>	:	33 years
<b>Qualification</b>	:	Chartered Accountant
<b>Designation / responsibilities</b>	:	Independent Director
<b>Promoters' experience in current business</b>	:	
<b>Experience in the same line of business (including current experience)</b>	:	10 years
<b>Personal net worth</b>	:	NA
<b>Director's address</b>	:	B-1001, Darshanam Splendor, Opp. Spring Retreat – 2

		Bhayli, Gujarat, India – 391410
	<b>Telephone no.</b>	: 9925060542

	<b>Director's name</b>	: Mr. Ravi Bhandari
	<b>Age</b>	: 50 Years
	<b>Qualification</b>	: B.E. (Civil)
	<b>Designation / responsibilities</b>	: Independent Director
	<b>Promoters' experience in current business</b>	:
	<b>Experience in the same line of business (including current experience)</b>	: 29 years
	<b>Personal net worth</b>	: NA
	<b>Director's address</b>	: A-304, Parshwa Luxuria, Near. Sitavan Farm Opp. Santoor Bunglow, Ambli Bopal Road, Bodakdev Ahmedabad – 380 054 Gujarat
	<b>Telephone no.</b>	: 9925060542

*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>	:	48 years
<b>Qualification</b>	:	BCom
<b>Designation / responsibilities</b>	:	Manager/Administration and accounts
<b>Relevant experience</b>	:	17 years
<b>Address</b>	:	3/2, Labdhi Industrial Estate Acid Mill Compound, Ranmukteshwar Road, Pratapnagar Vadodara – 390 004, Gujarat
<b>Telephone no.</b>	:	+91 9925060542

<b>Name</b>	:	Chiragbhai Jagdishbhai Rana
<b>Age</b>	:	34 years
<b>Qualification</b>	:	Postgraduate (MCom)
<b>Designation / responsibilities</b>	:	CFO (Chief Financial Officer)
<b>Relevant experience</b>	:	10 years
<b>Address</b>	:	3/2, Labdhi Industrial Estate Acid Mill Compound, Ranmukteshwar Road, Pratapnagar Vadodara – 390 004, Gujarat
<b>Telephone no.</b>	:	91 9925060542

<b>Name</b>	:	Archi Nitin Shah
<b>Age</b>	:	33 years
<b>Qualification</b>	:	Company Secretary
<b>Designation / responsibilities</b>	:	Company Secretary and compliance 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>	:	+91 9925060542

<b>Name</b>	:	Amiya Kumar Koley
<b>Age</b>	:	52 years
<b>Qualification</b>	:	Diploma in Mechanical Engineering
<b>Designation / responsibilities</b>	:	Plant/Production head
<b>Relevant experience</b>	:	24 years
<b>Address</b>	:	3/2, Labdhi Industrial Estate Acid Mill Compound, Ranmukteshwar Road, Pratapnagar Vadodara – 390 004, Gujarat
<b>Telephone no.</b>	:	+91 9925060542

<b>Name</b>	:	Kishore N. Mulchandani
<b>Age</b>	:	63 years
<b>Qualification</b>	:	BCom
<b>Designation / responsibilities</b>	:	Manager/Export
<b>Relevant experience</b>	:	39 years
<b>Address</b>	:	3/2, Labdhi Industrial Estate Acid Mill Compound, Ranmukteshwar Road, Pratapnagar Vadodara – 390 004, Gujarat
<b>Telephone no.</b>	:	+91 9925060542

## 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 2021
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Name of the shareholder	Relationship with managing director	Share in capital (%)
Kaushal Kumar Gupta	Self	47.44
Sangeeta Gupta	Family members	18.75
Satish Kumar Gupta		4.31
Kailash Kaushal Gupta		1.49
Jignesh Gupta		1.27
Individuals (public)	Shareholders	26.74
	<b>Total</b>	<b>100.00</b>

### Notes:

- There has been changes in the shareholding pattern in fiscal 2021 as compared to fiscal 2020.

## Group companies and firms

Name of the group company	Business	Year ended	Net Sales	PAT	Net worth/ capital	Total debt
			Amount in Rs lakh			
Agrawal Associates (established in 2005)	Trading of colour-coated roof sheets, polycarbonate sheets, and FRP roof sheets	March 31, 2021	70.27	2.61	3945.53	4.32

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 30 September, 2021		
Net sales	Rs lakh	4041.41
OPBDIT	Rs lakh	291.57
Current order book	Rs lakh	560.00
Debtors	Rs lakh	251.85
Creditors	Rs lakh	131.10
Capital	Rs lakh	179.04
Total debt	Rs lakh	632.65
Total debt to equity ratio	Times	1.2

Projected performance for		FY22*
Net sales	Rs lakh	7500
PBT	Rs lakh	462.5
PBT margin	%	6.17

\* Management projection

## Past financial performance

### Profit and loss account

For the year ended		FY19	FY20	FY21
		Audited	Audited	Audited
Number of months		12	12	12
Net sales	Rs lakh	4,347.76	3,992.05	4,090.87
Operating income	Rs lakh	4,447.02	4,132.30	4,173.07
Cost of sales	Rs lakh	4,104.73	3,776.91	3,821.33
OPBDIT	Rs lakh	342.28	355.38	351.74
Interest and finance costs	Rs lakh	7.36	7.67	10.93
OPBDT	Rs lakh	334.92	347.71	340.81
Depreciation	Rs lakh	31.06	36.40	37.93
OPBT	Rs lakh	303.85	311.32	302.88
Non-operating income / (expense)	Rs lakh	-	-	-
PBT	Rs lakh	303.85	311.32	302.88
Extraordinary income / (expense)	Rs lakh	(16.43)	(6.10)	(4.13)
Reported PBT	Rs lakh	287.43	305.22	298.75
Provision for taxes	Rs lakh	76.36	73.07	73.24
Deferred tax liability / (asset)	Rs lakh	3.86	1.20	2.01
PAT	Rs lakh	207.20	230.95	223.50
Dividends	Rs lakh	19.87	32.96	
Net cash accruals	Rs lakh	218.40	234.39	261.43

#### Notes:

- Operating income for fiscal 2021 refers to labour income of Rs 59.28 lakh and miscellaneous income of Rs 22.92 lakh.
- Interest and finance costs for fiscal 2021 comprised interest on borrowings worth Rs 3.33 lakh and bank charges worth Rs7.60 lakh.
- Extraordinary expense during fiscal 2021 refers to miscellaneous expenses written off.
- Deferred tax was provided over the past three years (fiscal 2021, fiscal 2020 and fiscal 2019) according to the provisions of the Companies Act, 2013.

## Balance sheet

		FY19	FY20	FY21
		Audited	Audited	Audited
<b>Liabilities</b>				
Tangible net worth	Rs lakh	1,243.80	1,435.03	1,625.57
Deferred tax liabilities / (assets)	Rs lakh	27.67	28.87	30.88
Long-term debt	Rs lakh	56.66	0.78	205.38
<i>of which, current portion of long-term debt</i>	<i>Rs lakh</i>	<i>32.29</i>	<i>0.78</i>	<i>82.00</i>
Short-term debt	Rs lakh	-	-	-
<i>of which, working capital borrowing from banks</i>	<i>Rs lakh</i>	<i>-</i>	<i>-</i>	<i>-</i>
Other liabilities and provisions	Rs lakh	111.94	118.02	286.03
<b>Total liabilities</b>	<b>Rs lakh</b>	<b>1440.07</b>	<b>1582.70</b>	<b>2147.86</b>
<b>Assets</b>				
Net fixed assets	Rs lakh	433.30	459.45	923.84
Investments	Rs lakh	7.98	3.46	-
Inventory	Rs lakh	497.31	721.81	733.23
Receivables (total)	Rs lakh	226.33	284.17	235.71
<i>of which, receivables greater than six months</i>	<i>Rs lakh</i>	<i>1.63</i>	<i>5.94</i>	<i>-</i>
Cash and bank balance	Rs lakh	164.61	11.83	48.35
Other current assets	Rs lakh	110.54	101.98	206.73
<b>Total assets</b>	<b>Rs lakh</b>	<b>1440.07</b>	<b>1582.70</b>	<b>2147.86</b>

### Notes:

- Long-term debt as of fiscal 2021 comprised Plant and Machinery of Rs 123.38 lakh availed from Axis Bank.
- Other liabilities and provisions as of fiscal 2021 comprised advance from customers of Rs 69.12 lakh, creditors for goods of Rs143.97 lakh, creditors for expenses of Rs38.02 lakh, provisions of Rs 26.92 lakh, and other current liabilities of Rs 4.62 lakh.
- Net block of major fixed assets as of fiscal 2021 comprised Factory building of Rs 195.46 lakh, plant and machinery of Rs 176.51 lakh, land of Rs 19.25 lakh..Furniture & fittings of Rs 3.85 lakh, Borewell of Rs 0.18 lakh and Office equipment of Rs 4.20 lakh and Vehicles of Rs 4.63 lakhs and Computer of Rs 5.51 lakh and Solar equipment of 8.20 lakh and Capital WIP for Land (unit 2 ) of Rs 388.75 lakh and Building WIP of Rs 9.20 lakh.
- Investments as of fiscal 2021 comprise fixed deposits with banks.25.90 lakh
- Inventory as of fiscal 2021 comprises raw materials of Rs548.72 lakh, work in progress of Rs172.96 lakh, and finished goods of Rs11.55 lakh.
- Other current assets as of fiscal 2021 comprised security deposit of Rs 10.49 lakh, loans and advances of Rs 22.35 lakh, prepaid expenses of Rs 3.35 lakh, advance to suppliers of Rs 170.51 lakh.



## Key financial ratios

For the year ended / as at		FY19	FY20	FY21
		Audited	Audited	Audited
OPBDIT margin	%	7.70	8.60	8.43
PAT margin	%	4.66	5.59	5.36
Return on capital employed	%	44.39	22.41	18.62
Gross current assets	days	67	97	103
Days inventory (on COP)	days	44	70	70
Days receivable (on gross sales)	days	16	22	18
Days payable (on materials)	days	3	4	15
Current ratio	Times	6.91	9.42	3.33
PBDIT Interest cover	Times	44.24	45.55	31.80
Net cash accruals/Total debt	%	385.43	30,058.80	127.29
Debt service coverage ratio	Times	3.25	6.16	24.62
Average cost of borrowing	%	25.99	26.70	10.60
Total outside liabilities/Tangible net worth	Times	0.16	0.10	0.32
Gearing - Total debt/Tangible net worth	Times	0.05	0.00	0.13
Gearing (considering promoter loans as neither debt nor equity)	Times	0.05	0.00	0.13
Cash /TOL	%	87.94	10.35	9.26

### Notes.

- Operating profit margin recorded in fiscal 2021 is lower as compared to fiscal 2020
- Profit after Tax (PAT Margin ) recorded in fiscal 2021 is marginally lower as compared to fiscal 2020 due to increase in cost of sales
- 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		FY20	FY21
<b>Sources of funds</b>			
Net cash accruals	Rs lakh	234.39	261.43
Equity infusion / Share application money	Rs lakh	-	-
Long-term debt borrowed (net)	Rs lakh	-	123.38
Short-term debt borrowed (net)	Rs lakh	-	81.22
Decrease in net current assets	Rs lakh		53.90
Sale of investments / fixed assets	Rs lakh		-
Other sources	Rs lakh	2.91	15.35
<b>Total sources of funds</b>	<b>Rs lakh</b>	<b>237.30</b>	<b>535.28</b>
<b>Uses of funds</b>			
Investment and fixed assets purchased	Rs lakh	62.55	502.32
Decrease in tangible net worth	Rs lakh	6.76	32.96
Long-term debt repaid (net)	Rs lakh	24.37	-
Short-term debt repaid (net)	Rs lakh	31.51	-
Increase in net current assets	Rs lakh	112.10	-
Other uses	Rs lakh	-	-
<b>Total uses of funds</b>	<b>Rs lakh</b>	<b>237.30</b>	<b>535.28</b>

### Notes:

- In Fiscal 2021 long term debt borrowed (net) has been recorded as firm took the loan for plant and machinery from axis bank
- In fiscal 2021 short term debt borrowed (net) has been recorded as firm took the short term debt for plant and machinery
- The decrease in value of net current asset in fiscal 2021 is due to increase in the value of current liability
- In Fiscal 2021 other sources has been increased due to increase in the value of non current asset
- The increase in the value of investment and fixed asset purchased in fiscal 2021 is due to increase in value of fixed assets
- The decrease in tangible net worth in 2020-21 is on account of withdrawal of capital in excess of profit

## Contingent liabilities

Contingent liabilities as of fiscal 2021: Nil

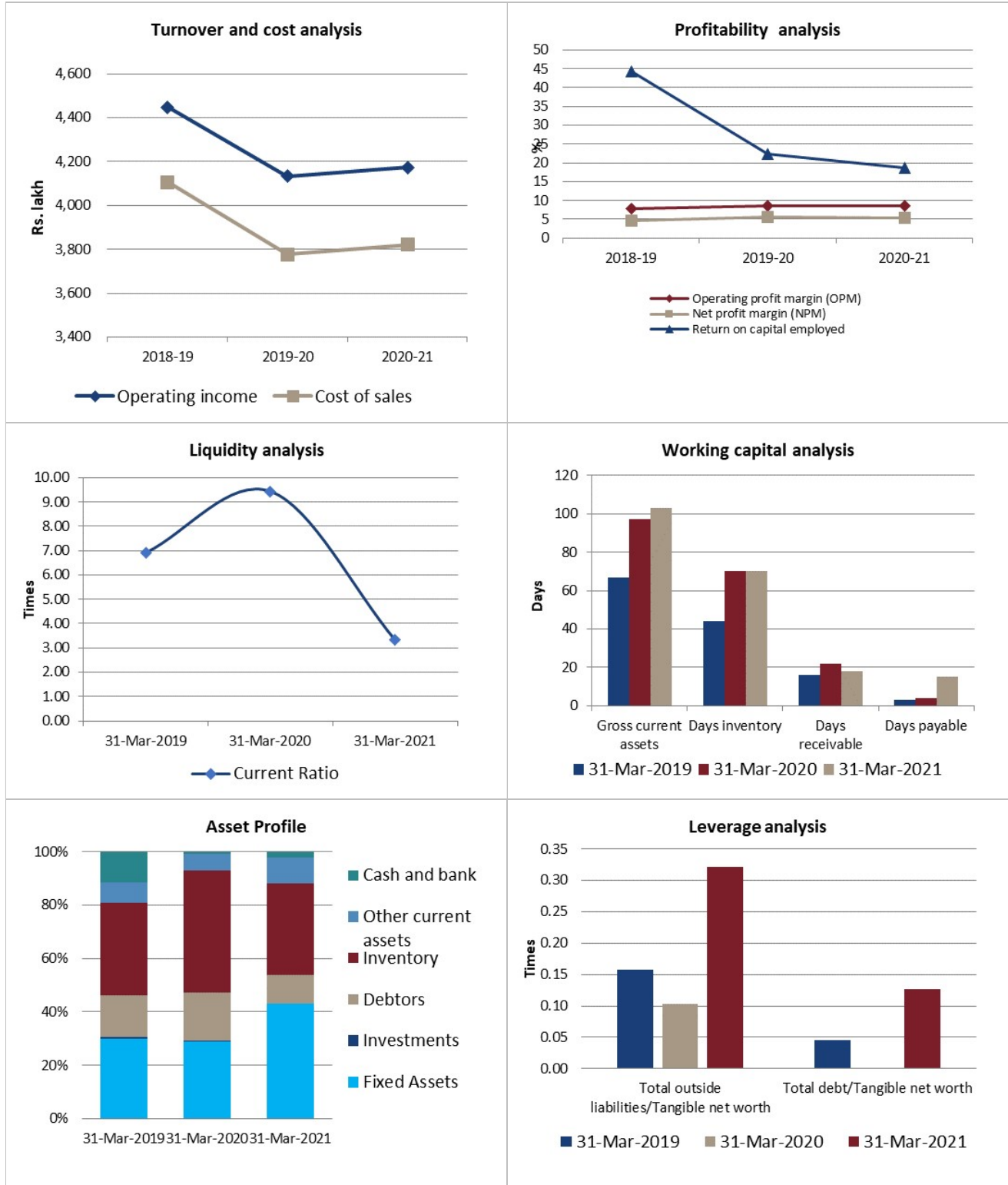
## Auditors

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 2021, fiscal 2020, and fiscal 2019:** 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	2 years	Cash credit	Fund-based limit	Rs 350.00 lakh**	7.30
		Letter of credit	Non-fund based limit		
		Bank guarantee			
		Term Loan	Fund-based limit	Rs 590.00 lakh**	
		ECLGS		Rs 60.00 lakh**	

\*\*Sanctioned limit

## 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>	:	1,775square feet
<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>• 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>• October 2020: around 2336.00units</li> <li>• November 2020: around 747.00 units</li> <li>• December 2020: around 2031.00 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> </ul>
<b>Installed capacity</b>	:	1410.00 metric tonnes per month
<b>Utilised capacity</b>	:	71.00 per cent
<b>Raw materials used</b>	:	Metal sheet, plates
<b>Source of raw material</b>	:	Domestic: 100.00%
<b>Environmental clearance obtained by unit</b>	:	Obtained

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