Scoda Tubes Limited

February 14, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating[1]	Rating Action
Short Term Bank Facilities	1.00	CARE A4 (A Four)	Reaffirmed and Placed on Notice of withdrawal for 90 days
Long Term Bank Facilities	-	-	Withdrawn
Short Term Bank Facilities	-	-	Withdrawn
Total Bank Facilities	**1.00 (Rs. One Crore Only)**		

Details of instruments/facilities in Annexure-1

Detailed Rationale

CARE has withdrawn the outstanding ratings of 'CARE BB-; Stable/ CARE A4' (Double B Minus; Outlook: Stable/ A Four) assigned to the bank facilities of Scoda Tubes Limited (STL) with immediate effect. The above action has been taken at the request of STL and 'No Dues Certificate' received from the lender that has extended the facilities rated by CARE.

Further, CARE has placed the rating assigned to the short-term facility on 'Notice of Withdrawal for 90 days with immediate effect. The aforesaid rating would continue to remain on 'Notice of Withdrawal with for a period of 90 days, after which it would stand withdrawn. The above action has been taken as per CARE's rating withdrawal policy.

Analytical Approach: Standalone

Applicable Criteria

Policy on Withdrawal

About the Company

Scoda Tubes Limited (STL) was promoted by Mr. Dhanraj Khatri and Mr. Mahesh Patel in 2008 as closely held limited company where entity is engaged in manufacturing of stainless-steel pipes & stainless-steel welded tubes. The company operates from manufacturing facilities located at Kadi (Gujarat) with an installed capacity of manufacturing 400 Tonnes per month (MTPM) as on December 30, 2020

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021 (Prov.)	Q3FY22
Total operating income	109.00	105.90	NA
PBILDT	4.61	NA	NA
PAT	1.03	0.97	NA
Overall gearing (times)	1.08	-	NA
Interest coverage (times)	1.51	-	NA
Total Debt	20.36	19.72	NA

A-Audited; NA- Not Available

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Please refer Annexure-3

Complexity level of various instruments rated for this company: Please refer Annexure-4

[1]Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	0.00	Withdrawn
Non-fund-based - ST-Bank Guarantee		-	-	-	1.00	CARE A4
Non-fund-based - ST-Letter of credit		-	-	-	0.00	Withdrawn
Non-fund-based - ST-Bill Discounting / Bills Purchasing		-	-	-	0.00	Withdrawn
Fund-based - ST-Packing Credit in Foreign Currency		-	-	-	0.00	Withdrawn
Fund-based - LT-Term Loan		-	-	-	0.00	Withdrawn

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE BB-; Stable (05-Jan-21)	1)CARE BB-; Stable (16-Oct-19)	-
2	Non-fund-based - ST-Bank Guarantee	ST	1.00	CARE A4	-	1)CARE A4 (05-Jan-21)	1)CARE A4 (16-Oct-19)	-
3	Non-fund-based - ST-Letter of credit	ST	-	-	-	1)CARE A4 (05-Jan-21)	1)CARE A4 (16-Oct-19)	-
4	Non-fund-based - ST-Bill Discounting / Bills Purchasing	ST	-	-	-	1)CARE A4 (05-Jan-21)	1)CARE A4 (16-Oct-19)	-
5	Fund-based - ST-Packing Credit in Foreign Currency	ST	-	-	-	1)CARE A4 (05-Jan-21)	1)CARE A4 (16-Oct-19)	-
6	Fund-based - LT-Term Loan	LT	-	-	-	1)CARE BB-; Stable (05-Jan-21)	1)CARE BB-; Stable (16-Oct-19)	-

* Long Term / Short Term

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities- Not Applicable

Annexure 4: Complexity level of various instruments rated for this company

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Fund-based - ST-Packing Credit in Foreign Currency	Simple
4	Non-fund-based - ST-Bank Guarantee	Simple
5	Non-fund-based - ST-Bill Discounting / Bills Purchasing	Simple
6	Non-fund-based - ST-Letter of credit	Simple

Annexure 5: Bank Lender Details for this Company
To view the lender wise details of bank facilities please **click here**

Note on complexity levels of the rated instrument: Note on complexity levels of the rated instrument: CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:
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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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