

SRSB Broadcast India Private Limited

August 07, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	-	-	Reaffirmed at CARE BB-; Stable and Withdrawn
Short Term Bank Facilities	-	-	Reaffirmed at CARE A4 and Withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Ltd. (CARE Ratings) has reaffirmed the ratings assigned to the bank facilities of SRSB Broadcast India Private Limited (SBIPL) at 'CARE BB-, Stable/ CARE A4' [Double B Minus; Outlook: Stable/ A Four] and simultaneously withdrawn it with immediate effect. The above action has been taken at the request of SRSB Broadcast India Private Limited and post receipt of 'No Objection Certificates' (NOCs) from the banks that have extended the facilities rated by CARE Ratings.

The ratings remain constrained on account of modest scale of operations, low profitability margins, and weak debt coverage indicators. The ratings also consider company's stretched liquidity position, moderate capital structure, and highly fragmented and competitive nature of the industry. However, these rating weaknesses are partially offset by promoters' considerable experience coupled with long track record of operations, association with reputed and diversified clientele and comfortable operating cycle.

Analytical approach: Standalone

Outlook: Stable

The Stable outlook reflects that the company will continue to benefit from the long-standing experience of the promoters in the industry.

Detailed description of key rating drivers:

Key weaknesses

Modest scale of operations

The total operating income of the company declined from Rs. 227.12 crore in FY24 (refers to the period from April 01, 2023 to March 31, 2024) to Rs. 146.76 crore in FY25 (refers to the period from April 01, 2024 to March 31, 2025), on account of transfer of IT mobility segment to its other group company, SRSB Technologies Private Limited. The scale remains modest, and it limits the financial flexibility of the company in times of stress and deprives it of scale benefits. Further, the company has clocked a total operating income of approx. Rs. 25.16 crores in Q1FY26 (refers to the period from April 01, 2025 to June 30, 2025).

Declining profitability margins

The profitability margins of the company improved marginally as marked by the PBILDT and PAT margins of 1.64% and 0.84% respectively in FY25 (UA) vis-à-vis 0.81% and 0.48% respectively in FY24 (A). The profitability margins remain low due to the trading nature of business.

Moderate capital structure and weak debt coverage indicators

As on March 31, 2025, the debt profile of the company comprises of term loans of Rs. 0.78 crore and working capital bank borrowings of Rs. 7.54 crore as against the tangible net worth of Rs. 20.10 crore. The capital structure of the company continues to remain moderate marked by overall gearing ratio of 0.41x in FY25 (Provisional) vis-à-vis 0.78x in FY24 (Audited). The improvement is on account of decline in debt levels due to lower utilization of the working capital limits availed by the company

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications

at year end. Further, owing to the low profitability margins leading to low GCA levels, the debt coverage indicators of the company stood weak, marked by the interest coverage ratio and total debt to gross cash accruals of 1.56x (PY: 0.72x) and 3.82x(PY: 7.34x) respectively in FY25 (UA).

Highly fragmented and competitive nature of the industry

SBIPL operates in a highly fragmented and competitive industry, marked by the presence of numerous players in India as well overseas. The trading business segment is highly competitive with most of the players supplying mobiles and electronics of various established brands. Low entry barriers make the industry highly lucrative and competitive. Further, competition from online shopping portals has been increasing consistently, which exerts pressure on profitability margins of the company.

Key strengths

Association with reputed clientele

SBIPL's business risk profile continues to be supported by healthy relationships developed with its reputed customers. Reputed clientele reduces the customer concentration risk and ensures timely realization of receivables.

Comfortable operating cycle

The operating cycle of the company stood comfortable at 45 days in FY25 (Unaudited) vis-à-vis 40 days in FY24 (Audited). The company is required to maintain an adequate inventory of finished goods to meet immediate demand of its customers resulting in an average inventory holding period of around 38 days in FY25. Further, being in a highly competitive industry, the company normally extends credit period of around 1-2 months to its customers resulting into an average collection period of 59 days in FY25. Moreover, the company receives an average credit period of around 1-2 month from its suppliers resulting in an average creditors' period of around 52 days in FY25.

Experienced promoters coupled with long track record of operations

SBIPL is a family run business, and its operations are managed by Mr. Sanjeeb Mekap and Ms. Neha Mekap. Both the directors are postgraduates by qualification and holds an industry experience of around one and half decades through their association with the company. They are well supported by a team of experienced professionals, managing day-to-day operations of the company. The company is having a considerable track record in this business which has resulted in long-term relationships with both suppliers and customers.

Liquidity: Stretched

The average maximum utilisation of the fund-based limits was ~70%-80% during the 12 months ended November 30, 2024. The company had generated gross cash accruals of Rs. 2.18 crore during FY25 (UA) against repayment obligations of approx. Rs. 0.53 crore in the same year. However, the company has low unencumbered cash and bank balances of Rs. 0.94 crore as on March 31, 2025. The company is not planning to incur any major capex in the near to medium term.

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Withdrawal Policy](#)

[Short Term Instruments](#)

[Wholesale Trading](#)

[Service Sector Companies](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Services	Services	Commercial Services & Supplies	Trading & Distributors

Incorporated in the year 2006, SRSG Broadcast India Private Limited (SBIPL) is being managed by Mr. Sanjeeb Mekap and Mrs. Neha Mekap as its directors. Based in Delhi, the company is an authorized dealer of apple products and accessories. The company also deals in the products and accessories of other brands such as HP, Dell, Lenovo, Samsung etc. Further, the company provides turnkey solution for systems integration to media and broadcast houses. SBIPL buys mobile phones, laptops and accessories directly from the distributors and sells primarily to the government departments and corporates located across India. The company has offices located in Delhi, Mumbai, Kolkata, Bengaluru, Guwahati, Ahmedabad, Pune and Bhubaneswar. Further, SBIPL has three apple service centres in Delhi, Ahmedabad, and Bhubaneswar.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (UA)
Total operating income	227.12	146.76
PBILDT	1.85	2.41
PAT	1.10	1.23
Overall gearing (times)	0.78	0.41
Interest coverage (times)	0.72	1.56

A: Audited; UA: Unaudited Note: 'the above results are latest financial results available'.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Bank Overdraft		-	-	-	0.00	Withdrawn
Fund-based - LT-Cash Credit		-	-	-	0.00	Withdrawn
Fund-based - LT-Term Loan		-	-	December 2026	0.00	Withdrawn
Non-fund-based - ST-Bank Guarantee		-	-	-	0.00	Withdrawn
Non-fund-based - ST-Letter of credit		-	-	-	0.00	Withdrawn
Non-fund-based - ST-Letter of credit		-	-	-	0.00	Withdrawn

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	-	-	-	1)CARE BB-; Stable (26-Dec-24)	1)CARE BB-; Stable (12-Dec-23)	1)CARE BB; Stable (28-Dec-22)
2	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE BB-; Stable (26-Dec-24)	1)CARE BB-; Stable (12-Dec-23)	1)CARE BB; Stable (28-Dec-22)
3	Non-fund-based - ST-Bank Guarantee	ST	-	-	-	1)CARE A4 (26-Dec-24)	1)CARE A4 (12-Dec-23)	1)CARE A4 (28-Dec-22)
4	Fund-based - LT-Bank Overdraft	LT	-	-	-	1)CARE BB-; Stable (26-Dec-24)	1)CARE BB-; Stable (12-Dec-23)	1)CARE BB; Stable (28-Dec-22)
5	Non-fund-based - ST-Letter of credit	ST	-	-	-	1)CARE A4 (26-Dec-24)	1)CARE A4 (12-Dec-23)	1)CARE A4 (28-Dec-22)
6	Non-fund-based - ST-Letter of credit	ST	-	-	-	1)CARE A4 (26-Dec-24)	1)CARE A4 (12-Dec-23)	1)CARE A4 (28-Dec-22)

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities- Not applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Bank Overdraft	Simple
2	Fund-based - LT-Cash Credit	Simple
3	Fund-based - LT-Term Loan	Simple
4	Non-fund-based - ST-Bank Guarantee	Simple
5	Non-fund-based - ST-Letter of credit	Simple

Annexure-5: Lender detailsTo view the lender wise details of bank facilities please [click here](#)

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

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About us:

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