

## Salasar Techno Engineering Limited

August 14, 2019

### Ratings

Facilities	Amount (Rs. crore)	Rating1	Rating Action
Long term Bank Facilities	-	-	Withdrawn
Short term Bank Facilities	-	-	Withdrawn
<b>Total Facilities</b>	-		

*Details of instruments/facilities in Annexure-1*

### Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the outstanding ratings of 'CARE BBB+; Stable/CARE A2' [Triple B Plus; Outlook: Stable/ A Two] assigned to the bank facilities of Salasar Techno Engineering Ltd. with immediate effect. The above action has been taken at the request of Salasar Techno Engineering Ltd. and 'No Objection Certificate' received from the bank(s) that have extended the facilities rated by CARE

**Analytical approach:** Not Applicable

### Applicable Criteria

[Policy on Withdrawal of ratings](#)

### About the Company

STEL was incorporated in 2001 by Mr. Alok Kumar and Mr. Gyanendra Kumar Aggarwal. The company engineers, designs and fabricates steel structures for telecom and solar sectors along with undertaking supply and erection of towers and transmission lines in power transmission and distribution sector (T&D). The company has an ongoing technical tie-up with Ramboll Telecom, Denmark, for the supply of design for tubular telecom towers. The company's manufacturing facilities are situated in Hapur with an installed capacity of 1,00,000 MTPA. Salasar Stainless Ltd (SSL) is the wholly-owned subsidiary of STEL. The company is engaged into manufacturing of stainless steel pipes and tubes and also undertakes job work for STEL at its manufacturing facility situated in Hapur, Uttar Pradesh.

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)
Total operating income	503.92	655.74
PBILDT	55.25	74.22
PAT	29.62	33.27
Overall gearing (times)	0.69	0.79
Interest coverage (times)	6.56	4.55

A: Audited

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

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

### Annexure-1: Details of Instruments/Facilities

Name of the Instrument	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Fund-based - LT-Cash Credit	-	-	-	0.00	Withdrawn
Non-fund-based - ST-Bank Guarantees	-	-	-	0.00	Withdrawn

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE publications

**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 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Term Loan	LT	-	-	-	-	1)Withdrawn (14-Apr-17)	-
2.	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE BBB+; Stable (04-Jul-18)	1)CARE BBB+; Stable (29-Dec-17) 2)CARE BBB; Stable (14-Apr-17)	-
3.	Non-fund-based - ST-Bank Guarantees	ST	-	-	-	1)CARE A2 (04-Jul-18)	1)CARE A2 (29-Dec-17) 2)CARE A3+ (14-Apr-17)	-

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

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**About CARE Ratings:**

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

**Disclaimer**

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

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