



SMERA-D&B-NSIC MICRO & SMALL ENTERPRISES RATING

Rating and Site Inspection Report
Tradelink Services

SMERA MSE 2

Financial Strength:
High

Operating Performance:
High

Date of Report:
December 29, 2017

Valid Till:
December 28, 2018

D-U-N-S® Number
86-298-1531

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Rating of Tradelink Services

Rating Symbol	Definition
SMERA MSE 1	Highest credit worthiness in relation to other MSEs
SMERA MSE 2	High credit worthiness in relation to other MSEs
SMERA MSE 3	Good credit worthiness in relation to other MSEs
SMERA MSE 4	Above-average credit worthiness in relation to other MSEs
SMERA MSE 5	Average credit worthiness in relation to other MSEs
SMERA MSE 6	Below-average credit worthiness in relation to other MSEs
SMERA MSE 7	Weak credit worthiness in relation to other MSEs
SMERA MSE 8	Poor credit worthiness in relation to other MSEs

Financial Strength Categories

Highest
High
Good
Above Average
Average
Below Average
Weak
Poor

Operating Performance Categories

Highest
High
Average
Weak
Poor

SWOT Analysis

Strengths

- Efficient working capital management denoted by comfortable collection, payable and inventory holding period of the firm stands at 27, 22 and 86 days respectively in FY2017.
- Healthy operating and net profit margin of the firm stands at 9.16 per cent and 10.79 per cent respectively in FY2017.
- Healthy liquidity position marked by current ratio of 14.86 times in FY2017.
- No long term or short term borrowing from bank as on March 31, 2017.
- Reputed customer base of the firm like Hyundai, TATA, Apollo Tyres Ltd., CEAT, BOSCH, Honda, JSW Steel Ltd., Reliance Industries Limited etc.
- Positive cash flow from operating activities in FY2017.
- Comfortable return on capital employed of the firm stands at 17.76 per cent in FY2017.

Weakness

- Despite of having long track record of operation of the firm of 24 years, firm scale of operation remains moderate at Rs.420.42 lakhs in FY2017.

Opportunities

- Technavio's analysts forecast the Machine Tools Market in India to grow at a CAGR of 12.6% during the period 2016-2020.
- All the core sectors of the industry namely power, oil & gas, water & infrastructure projects, metal & mining, chemicals, drugs & pharmaceuticals, food & beverages require various types of mechanical components and all these industries are growing at a significant rate today in India.

Threats

- Highly fragmented and unorganized industry with large number of players.
- The engineering sector in India attracts immense interest from foreign players as it enjoys a comparative advantage in terms of manufacturing costs, technology and innovation.

Company Fact Sheet

Unit Name	Tradelink Services
Official Address of Enterprise	
Address Line 1	No. 5, South Phase,
Address Line 2	Ambattur Industrial Estate,
City	Chennai
State	Tamil Nadu
PIN code	600058
Type of Organization	Proprietorship Concern
Year of Establishment	1993
Commencement of operations	May 20 th , 1993
Contact No	+91-9840082527
Email Id	marketing@tradelinkservices.in michael@tradelinkservices.in
UAM / EM No	3300221/13465/E
Number of employees	
Permanent	10
Contractual	00
Website	www.tradelinkservices.in
Statutory auditor	Nikhil D Souza
Address Line 1	No.77, Friends Colony, D Block,
Address Line 2	Anna Nagar East,
City	Chennai
State	Tamil Nadu
PIN code	600102
Adverse comment, if any, of the statutory auditor	None
Comments on statutory compliance	The unit is compliant

Registration/Memberships/Certificates	Registration/Membership/Consent No.
GST No.	33AAGPG9309N1ZH
PAN No.	AAGPG9309N
Aadhaar No.	276255749551

Business Profile

Business Description	
Line of Business	Engaged in Importing and Distribution of Mechanical Power Transmission Engineering Components
Products/Services Profile	Bushes, Couplings, Shafts, Speed Variators
Industry	Trading
Industry Prospects	Good
Sub- Industry	Trading
Degree of Competition	High

Future Project(s)

As informed by the management there are no near future project till date.

Customer Profile

Customer 1

Name	ACG Pam Pharma Technologies Private Limited
Address Line 1	Plot No.66, Government Industrial Estate,
Address Line 2	Charkop, Babrekar Nagar Rd, Ganesh Nagar,
City	Mumbai
Terms of credit *	Open Account for 30 Days
Length of relationship (years) *	10

Customer 2

Name	IMA-PG India Private Limited
Address Line 1	Plot No. R-677, M.I.D.C,
Address Line 2	T.T.C Indl. Area, Thane Belapur Road,
City	Mumbai
Terms of credit *	Open Account for 90 Days
Length of relationship (years) *	10

Customer 3

Name	S. S. Packaging Industries
Address Line 1	Kirti Nagar,
Address Line 2	Industrial Area,
City	Delhi
Terms of credit *	Open Account for 30 Days
Length of relationship (years) *	16

Supplier Profile

Supplier 1

Name	ETP Transmission AB
Address Line 1	-
Address Line 2	-
Country	Sweden
Credit terms *	Credit
Raw material procured *	ETP Bush
Length of relationship (years) *	24

Supplier 2

Name	Flli Aramini SRL
Address Line 1	-
Address Line 2	-
Country	Italy
Credit terms *	Credit
Length of relationship (years) *	19

Supplier 3

Name	Trasmil SRL
Address Line 1	-
Address Line 2	-
Country	Italy
Credit terms *	Credit
Raw material procured *	Cardan and Shafts
Length of relationship (years) *	17

Supplier 4

Name	MAV SpA
Address Line 1	-
Address Line 2	-
Country	Italy
Credit terms *	Credit
Raw material procured *	Locking and Assembly
Length of relationship (years) *	17

Service Facilities	FY 2017
Capacity Installed per annum (numbers)	Not Applicable
Capacity Utilized per annum (numbers)	
Capacity expansion planned per annum (numbers)	

Market Composition	FY 2015	FY 2016	FY 2017
Domestic (%)	97.97	99.63	99.50
Exports (%)	2.03	0.37	0.50
Total (%)	100	100	100

Purchase Composition	FY 2015	FY 2016	FY 2017
Domestic (%)	0	0	0
Imports (%)	100	100	100
Total (%)	100	100	100

Ownership & Management

Details of the Proprietor/ Partner/ Director -1	
Designation	Proprietor
Name	Mr. Michael X Gomez
Address Line 1	No. 5, South Phase,
Address Line 2	Ambattur Industrial Estate,
City	Chennai
Mobile Number	+91-9840082527
Year of birth	1946
Appointed to present position	1993
Employed with Unit since	1993
Highest Educational Qualification *	B.E. (Mechanical)
Permanent Account Number*	AAGPG9309N

Share Holding Pattern / Profit / Loss Sharing Ratio as on March 31, 2017

Name of Proprietor/ Partner / Shareholders	Relation With The Promoter	Profit/Loss Sharing Ratio (%)
Mr. Michael X Gomez	Self	100.00
Total		100.00

Organization Structure, Control & Systems	
Head of Organization	Mr. Michael X Gomez
Second Tier Management	No
Decision Making Powers	Proprietor
Reporting System or MIS	In Place
Type of Reporting System	Tally
Frequency of MIS/ Reporting	Daily

Associates/ Group Companies

As per information provided by the management there is no group related companies.

Financial Profile

Current Financial Performance (Rs Lakhs except Debt – Equity Ratio)	
Net Sales	420.42
OPBDIT	38.52
Current Order Book	-
Debtors	31.07
Creditor	12.14
Capital	255.46
Debt	0.00
Debt- Equity ratio.	0.00

Declaration

The financial profile given in this report is based on audited financial results of the unit rated.

Details of Chartered Accountant (CA)	
Name	Nikhil D Souza
Membership no.	027413
Firm registration no	000789S

Profit & Loss Account (In Rupees Lakhs)

Financial Year	March 31, 2017	March 31, 2016	March 31, 2015
Months Covered By P/L	12	12	12
Income	420.42	370.20	367.02
Domestic Sales	420.42	368.82	355.72
Export	0.00	1.38	7.44
Other Revenue	0.00	0.00	3.86
Cost of Sales	(344.74)	(289.47)	(291.10)
Employee Cost	(25.88)	(20.48)	(18.42)
Rent / Repairs and Maintenance	(2.70)	(0.78)	(0.69)
Electricity Charges	(0.96)	(0.63)	(0.75)
Job Work Charges	0.00	(4.26)	(5.60)
Other Direct Expenses	(88.61)	(78.09)	(69.31)
Raw Material Consumption Cost	(226.59)	(185.23)	(196.33)
Gross Profit (Loss)	75.68	80.73	75.92
Other Operating Income	0.00	0.00	0.00
Depreciation/Amortization	(2.52)	(2.63)	(2.30)
General Operating Expenses	(31.60)	(23.35)	(28.23)
Directors / Partners Remuneration	0.00	0.00	0.00
Financial Lease Payment	0.00	0.00	0.00
Other	(31.60)	(23.35)	(28.23)
Net Operating Profit (Loss) After Depreciation and Before Interest	41.56	54.75	45.39
Non-Operating Income	6.86	0.52	1.37
Non-Operating Expenses	0.00	0.00	0.00
Finance Expenses	(0.02)	(0.91)	(0.97)
Interest to Third Parties	0.00	0.00	0.00
Interest to Related Parties	0.00	0.00	0.00
Interest on Partners Capital	0.00	0.00	0.00
Commission & Charges	(0.02)	(0.91)	(0.97)
Net Profit(Loss) Before Tax & Extraordinary Items	48.40	54.36	45.79
Plus (Minus) Extraordinary Items	0.00	0.00	0.00
Net Profit Before Taxation & After Extraordinary Items	48.40	54.36	45.79
Income Tax	0.00	0.00	0.00
Current Tax	0.00	0.00	0.00
Deferred Tax (Liability) / Reversal	0.00	0.00	0.00
Net Profit(Loss) After Tax	48.40	54.36	45.79

The above financials are taken from the audited accounts of the company

Balance Sheet (In Rupees Lakhs)

Financial Year	March 31, 2017	March 31, 2016	March 31, 2015
Current Assets			
Cash & Bank	11.51	10.36	12.44
Inventory / Work-in-Progress	99.21	127.12	111.69
Accounts Receivable	31.07	51.22	44.74
Advances to Directors / Shareholders / Relatives / Friends / Group Entities / Related Entities	0.00	0.00	0.00
Advance to suppliers	0.00	0.00	0.00
Short term Deposits	0.00	0.00	0.00
Margin Money	0.00	0.00	0.00
Other Current Assets	108.32	94.50	89.44
Total Current Assets	250.11	283.20	258.31
Fixed Assets			
Land & Buildings	11.80	12.09	12.47
Plant & Equipment	0.00	0.00	0.00
Other Fixed Assets	10.41	4.50	4.93
Vehicles/Construction Equipments	0.00	6.93	8.15
Windmills	0.00	0.00	0.00
Less: Asset Revaluation	0.00	0.00	0.00
Less: Accumulated Depreciation	0.00	0.00	0.00
Assets Under Construction	0.00	0.00	0.00
Total Fixed Assets	22.21	23.52	25.55
Investments			
Investment in Subsidiaries / Affiliates	0.00	0.00	0.00
Investment in Quoted Instruments	0.00	0.00	0.00
Investment in Properties	0.00	0.00	0.00
Other Investments	0.00	1.60	0.85
Total Investments	0.00	1.60	0.85
Other Assets (Non-Current)			
Long Term Advances to Directors / Shareholders / Relatives / Friends / Group Entities / Related Entities	0.00	0.00	0.00
Advance for Capital Assets	0.00	0.00	0.00
Security Deposits	0.00	0.00	0.00
Other Non-Current Assets	0.00	0.00	0.00
Total Other Assets	0.00	0.00	0.00
Intangibles			
Goodwill	0.00	0.00	0.00
Preliminary Expenses	0.00	0.00	0.00
Deferred Tax Assets	0.00	0.00	0.00
Asset Revaluation	0.00	0.00	0.00

Software	0.00	0.00	0.00
Patents & Copyrights	0.00	0.00	0.00
Other Intangibles	0.00	0.00	0.00
Total Intangibles	0.00	0.00	0.00
Total Assets	272.32	308.32	284.71
Current Liabilities			
Accounts Payable	12.14	27.48	10.53
Short term Secured Loans from Banks / Financial Institutions	0.00	0.00	0.00
Short term Unsecured Loans from Banks / Financial Institutions	0.00	0.00	0.00
Short term loans from Directors / Shareholders / Relatives / Friends / Group Entities / Related Entities	0.00	0.00	0.00
Short term Unsecured Loans from Others	0.00	0.00	0.00
Advances from Customers	0.00	0.11	0.00
Creditors for Capital Goods	0.00	0.00	0.00
Proposed Dividend payable	0.00	0.00	0.00
Cheques issued but not cleared	0.00	0.00	0.00
Other Current Liabilities	4.72	4.09	1.81
Total Current Liabilities	16.86	31.68	12.34
Non-Current Liabilities			
Secured Loans from Banks / Financial Institutions	0.00	0.00	0.00
Unsecured Loans from Banks / Financial Institutions	0.00	0.00	0.00
Loans from Directors / Shareholders / Relatives / Friends / Group Entities / Related Entities	0.00	0.00	0.00
Unsecured Loans from Others	0.00	0.00	0.00
Proposed Dividend	0.00	0.00	0.00
Deferred Tax Liability	0.00	0.00	0.00
Sales Tax Deferral Loan	0.00	0.00	0.00
Deposits	0.00	0.00	0.00
Other Non-Current Liabilities	0.00	0.00	0.00
Total Non-Current Liabilities	0.00	0.00	0.00
Equity			
Capital	255.46	276.64	272.37
Preference Capital	0.00	0.00	0.00
Share Premium	0.00	0.00	0.00
Capital Reserves	0.00	0.00	0.00
General Reserves	0.00	0.00	0.00
Retained Earnings (Loss)	0.00	0.00	0.00
Revaluation Surplus (Deficit)	0.00	0.00	0.00
Share Application Money	0.00	0.00	0.00

Capital Subsidy	0.00	0.00	0.00
Other Equity	0.00	0.00	0.00
Total Equity	255.46	276.64	272.37
Total Liabilities	272.32	308.32	284.71

Financial Ratios

Financial Year	March 31, 2017	March 31, 2016	March 31, 2015
Growth Ratios			
Sales Growth (%)	13.57	0.87	(4.30)
Net Profit Growth (%)	(3.63)	2.80	(19.33)
Turnover Ratios			
Collection Period (Days)	27	51	45
Account Payable (Days)	22	50	22
Inventory Holding period (Days)	86	125	111
Gross Working Capital (Related to operation) to sales (Days)	217	279	257
Sales to Net Working Capital (Times)	1.80	1.47	1.49
Assets to Sales (%)	64.77	83.28	77.57
Fixed Assets Turnover Ratio	18.93	15.74	14.36
Profitability Ratios			
Gross Profit Margin (%)	18.00	21.81	20.69
Operating Profit Margin (%)	9.16	12.82	12.37
Net Profit Margin (%)	10.79	12.71	12.48
Return on Assets (%)	16.66	15.27	16.08
Return on Net Worth (Return on Equity) (%)	17.76	17.01	16.81
Return on Capital Employed (%)	17.76	17.34	17.17
Liquidity Ratios			
Quick Ratio	8.95	4.93	11.88
Current Ratio	14.83	8.94	20.93
Gearing & Solvency Ratios			
Fixed Assets to Tangible Net Worth (%)	8.69	8.50	9.38
Current Liabilities to Tangible Net Worth (%)	6.60	11.45	4.53
Total Liabilities to Tangible Net Worth (%)	6.60	11.45	4.53
Total Debt to Equity Ratio	0.00	0.00	0.00
Long Term Debt Equity Ratio	0.00	0.00	0.00
Interest Coverage Ratio	NA	NA	NA
Debt / NCA	0.00	0.00	0.00

Cash Flow statement from operations (In Rupees Lakhs)

Financial Year	March 31, 2017	March 31, 2016
CASH FLOW STATEMENT FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	48.40	54.36
Adjustments for:		
Prior Year Adjustments	(3.04)	(7.29)
Depreciation	2.52	2.63
Non-Operating Income	(6.86)	(0.52)
Non-Operating Expenses	0.00	0.00
Interest Expense	0.02	0.91
Subtotal	(7.36)	(4.27)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	41.04	50.09
Adjustment for:		
Accounts Receivables	20.15	(6.48)
Other Receivables (Inclusive of Taxes)	(13.82)	(5.06)
Inventories	27.91	(15.43)
Trade Payables	(15.34)	16.95
Other Payables	0.52	2.39
Extraordinary Items	0.00	0.00
Net Cash from Operating Activities	60.46	42.46

Banking Facilities

Bank 1	
Name	ICICI Bank Limited
Branch	Anna Nagar, Chennai
IFSC	ICIC0006027
Bank Account Number	602705029160
Address Line 1	A-78, Plot No. 3211,
Address Line 2	3rd Avenue, Anna Nagar,
City	Chennai
PIN code	600102
Contact Number (Office)	044-42172482
Term Loan (in lakhs)	Rs.0.00
Interest Rate (%)	Not Applicable
Working Capital Loan (in lakhs)	Rs.0.00
Interest Rate (%)	Not Applicable
Non Fund Based Limits (in lakhs)	Rs.0.00
Banker's feedback	Not Available

Benefits to the MSE

Independent Third Party Opinion

Provides an unbiased rating to MSEs and enhances credibility. It motivates MSEs to adopt good governance for long term benefits. It also serves as a tool for self-evaluation and improvement and opens doors to the corporate sector enabling entry into the world's largest business database of over 162 million business records.

Access to Funding

A good rating helps MSEs get faster and cheaper credit at the discretion of the banker. SMERA has MOUs with 36 nationalized and private sector banks with several of them extending concessional pricing to borrowers based on the ratings. Possible deduction in interest rates from the bank can be availed.

Credibility and Confidence Building with Business Partners

Rating is an indicator of an MSE's performance capability and financial strength. A good rating provides comfort to lenders, including bankers, financial institutions and NBFCs, entrepreneurs, customers, suppliers, foreign partners, and collaborators among others for joint ventures.

Self-improvement Tool

Rating functions as a powerful self-improvement tool. SMERA also provides a detailed analytical report on the strengths and weaknesses. The report helps strengthen operations and facilitates international trade and commerce by building confidence among potential trading partners.

About SMERA

SMERA Ratings Limited is a joint initiative of Small Industries Development Bank of India (SIDBI), Dun & Bradstreet Information Services India Private Limited (D&B) and leading public and private sector banks in India. SMERA commenced its operations in 2005 and is empaneled as an approved rating agency by the National Small Industries Corporation Ltd. (NSIC) under the 'Performance & Credit Rating Scheme for Micro & Small Enterprises' of the Ministry of MSME, Government of India. SMERA is registered with the Securities and Exchange Board of India (SEBI) as a Credit Rating Agency and is accredited by Reserve Bank of India (RBI) as an External Credit Assessment Institution (ECAI), under BASEL- II norms for undertaking Bank Loan Ratings.

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