



# SIMMONDS MARSHALL LIMITED

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Date: March 04, 2026

To,  
The Listing Department  
BSE Limited  
Phiroz Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001.

**Scrip Code:** 507998

**Subject:** Intimation pursuant to the Regulation 30 read with PART A Schedule III of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 (the "Listing Regulations") - Credit Rating

Dear Sir/ Madam,

We hereby inform you that Credit Rating Agency i.e. Care Ratings Limited ("CareEdge Ratings") vide their press release dated March 02, 2026, has issued the credit ratings assigned to the Bank Facilities of the Company. The details are as follows:

Sr. No.	Facilities/ Instruments	Amount (in crore)	Ratings	Rating Action
1	Long-term bank facilities	23.50	CARE BBB; Stable	Assigned
2	Short-term bank facilities	1.50	CARE A3+	Assigned

The Press Release of rating rational received from Care Ratings Limited ("CareEdge Ratings") is enclosed herewith.

This submission is also available on the Company's website [www.simmondsmarshall.com](http://www.simmondsmarshall.com)

You are requested to take the above on record.

Thanking You,

For SIMMONDS MARSHALL LIMITED

NAVROZE  
SHIAMAK  
MARSHALL

Digitally signed by  
NAVROZE SHIAMAK  
MARSHALL  
Date: 2026.03.04  
15:28:09 +05'30'

N S MARSHALL  
MANAGING DIRECTOR  
DIN: 00085754



Enclosed: A/a

## Simmonds Marshall Limited

March 02, 2026

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long-term bank facilities	23.50	CARE BBB; Stable	Assigned
Short-term bank facilities	1.50	CARE A3+	Assigned

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

Ratings assigned to bank facilities of Simmonds Marshall Limited (SML) factor in the company's experienced promoters, sustained improvement in scale and profitability, stable operating performance, and established relationships with reputed automotive original equipment manufacturers (OEMs). Ratings also reflect the company's adequate liquidity position, stable interest burden, and improved financial risk profile, supported by higher internal accruals and moderated reliance on external debt.

However, these strengths are partly offset by the company's moderate reported capital structure, working-capital-intensive operations, moderate customer concentration, and its presence in a highly competitive and fragmented auto components industry. Ratings also factor in the susceptibility of operating margins to raw material price volatility.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors

- Sustained improvement in scale of operations, with total operating income (TOI) exceeding ₹300 crore, and strengthening net worth base of ₹75 crore on a sustained basis.
- Improvement in debt coverage indicators, marked by total debt to profit before interest, lease rentals, depreciation and taxation (TD/PBILD) below 2.5x and interest coverage above 3.5x, on a sustained basis, supported by higher internal accruals and stable working capital management

#### Negative factors

- Deterioration in operating performance marked by sustained decline in profitability, with PBILD margin falling below 10% on a sustained basis.
- Elongation in the average collection period beyond 120 days on a sustained basis, leading to pressure on liquidity.
- Material deterioration in capital structure or debt coverage indicators due to large debt-funded capex or sustained working capital stretch.

### Analytical approach: Consolidated

CARE Ratings Limited (CareEdge Ratings) has taken a consolidated view of SML and its subsidiary 'Stud India'. Consolidated view has been taken considering SML's significant stake, same line of business and similar set of management. Details of the entity considered for consolidation are listed under **Annexure-6**.

### Outlook: Stable

The "stable" outlook on the long-term ratings reflects CareEdge Ratings' belief that the company will continue to benefit from its experienced promoters with established track record of operations in the industry and with established relationship with its clientele, enabling it to sustain its financial risk profile in the near-to-medium term.

### Detailed description of key rating drivers:

#### Key strengths

##### Experienced promoters and management team

SML is promoted by Navroze Marshall, who has over two decades of experience in the specialised fasteners industry. The promoter group has established technical expertise in manufacturing specialised nuts and fasteners and has developed long-standing relationships with reputed automotive OEM customers. The company is supported by a professional management team overseeing operations and finance, which has contributed to improved operational performance and financial discipline in recent years. The experienced management and stable organisational structure support the company's ability to manage operations effectively in a competitive and OEM-driven industry.

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

**Long operating track record and established position in specialised fasteners segment**

SML has a long operating track record of over six decades in the specialised fasteners segment. The company's established presence, technical know-how and long-standing relationships with automotive OEM customers support business stability in an otherwise competitive and OEM-driven industry.

**Established relationship with reputed clientele base, despite with moderate customer concentration risk**

SML has established long-standing relationships with reputed automotive OEM customers, reflected in repeat orders and stable demand over the years. The company supplies specialised fasteners and precision-machined components to leading OEMs such as Honda Motorcycle & Scooter India, Royal Enfield and Bajaj Auto, among others. The approved vendor status with these customers and long product qualification cycles provides a degree of revenue visibility and entry barriers.

However, the company's revenue profile remains moderately concentrated, with top five customers accounting for 50.9% of TOI in FY25 (PY: 50.0%). While the concentration risk is partly mitigated by the long-standing nature of customer relationships and high switching costs, the company remains exposed to volume fluctuations from a limited set of customers. Diversification of customer base in the medium term remains a key credit monitorable.

**Improved-yet-moderate scale of operation and profitability**

The company's scale of operations has improved over the medium term, with TOI growing at a compounded annual growth rate (CAGR) of ~11.5% from FY21–FY25, despite a low base in FY21. TOI increased by ~8% to ₹207.6 crore in FY25, driven primarily by improved demand from the two-wheeler segment. The company reported TOI of ₹112.1 crore in H1FY26, compared to ₹104.4 crore in H1FY25, indicating continuation of the growth trend.

Despite improvement, the company's scale remains moderate, supported by a moderate tangible net worth of ₹41.2 crore as on March 31, 2025. Moderate scale, and fragmented and competitive automotive fasteners industry, constrains pricing flexibility and operating leverage.

Operating profitability has shown visible improvement, with PBILDT margin increasing to 11.9% in FY25 from 9.1% in FY24, aided by improved volumes and operating efficiencies. However, margins have remained moderate and range-bound, generally in the 10–12% band in the last six quarters ended Q2FY26, reflecting exposure to demand cyclicality and limited pricing power with OEM customers. Improvement in operating profitability translated into a better profit after taxation (PAT) margin of 4.3% in FY25 (PY: 1.7%). Going forward, the company's profitability and cash accruals remain sensitive to demand conditions in the two-wheeler segment, raw material price movements and the ability to maintain optimal capacity utilisation, which could constrain further improvement in the credit profile.

**Key weaknesses****Moderate capital structure and debt coverage indicators**

The company's capital structure remains moderate, characterised by a relatively elevated reliance on external borrowings, largely to fund working capital requirements and lease liabilities. Overall gearing stood at 2.01x as on March 31, 2025 (2.55x as on March 31, 2024) and improved further to 1.61x as on September 30, 2025, reflecting improved profitability and gradual deleveraging. Total outside liabilities to net worth remained elevated at 3.42x as on March 31, 2025 (PY: 4.09x).

Debt coverage indicators, while improving, continue to remain moderate. PBILDT interest coverage improved to 2.81x in FY25 from 1.90x in FY24, supported by better operating profitability. Similarly, TD to gross cash accruals (TD/GCA) improved to 4.98x in FY25 from 7.94x in FY24. As on September 30, 2025, interest coverage stood at 2.81x, while TD/GCA further improved to 3.89x, driven by improved cash accruals.

Going forward, the company's capital structure and debt coverage metrics are expected to remain moderate, given the continued working capital intensity inherent in the OEM-driven automotive fasteners business. Further improvement will remain contingent on sustained growth in operating profitability, moderation in working capital requirements and the absence of large debt-funded capex.

**Working capital intensive operations**

The company's operations are working capital intensive, as reflected in gross current assets cycle of 188 days in FY25 (PY: 177 days) and a working capital cycle of ~100 days (PY: 98 days). The elevated working capital intensity is primarily driven by high inventory holding, which stood at 119 days in FY25 (PY: 125 days), given the wide product range and OEM-driven production requirements.

The receivable cycle remained moderate at 46 days in FY25 (PY: 45 days), with the company offering credit terms of 45–60 days to customers. Notably, debtors outstanding for over 180 days accounted for a low proportion of ~2% of total receivables, providing comfort on the quality of receivables. Inventory and receivable requirements are partly offset by creditor support, with the company availing an average credit period of ~65 days from suppliers (PY: 71 days).

The relatively high working capital intensity resulted in continued reliance on bank borrowings and high utilisation of working capital limits, which moderates liquidity and financial flexibility.

**Highly competitive with fragmented nature of auto components industry**

SML operates in the highly competitive and fragmented auto components industry, characterised by the presence of a large number of organised and unorganised players. The organised segment primarily caters to OEMs, while the unorganised segment largely serves the replacement market and lower-tier suppliers. Intense competition within the organised segment results in customer-driven pricing, limited pricing flexibility, and pressure on margins, particularly for Tier-II component manufacturers.

This competitive intensity constrains the company's ability to pass on cost increases fully and limits scope for sustained margin expansion, impacting overall profitability and cash flow resilience.

#### Profitability susceptible to raw material price volatility

The company's profitability remains susceptible to raw material price volatility, particularly steel, which constitutes a key input. Steel prices are subject to fluctuations driven by market conditions, which can impact operating margins.

While the company has arrangements with OEM customers, where raw material prices are largely determined by the OEMs in coordination with steel suppliers and corresponding price revisions are implemented, pass-through is not always immediate or complete. Consequently, the company remains exposed to timing mismatches between raw material cost movements and price revisions, and inventory holding risk, particularly during periods of sharp price volatility. Such fluctuations may result in short-term pressure on margins and working capital requirements.

#### Liquidity: Adequate

The company's liquidity position is adequate, as marked by sufficient cash accruals against debt repayment obligations. The company had free cash and bank balance of ₹0.10 crore as on March 31, 2025, and ₹0.74 crore as on September 30, 2025. Working capital utilisation stood at 70-80% for 12 months ended December 2025. Cash accruals are expected to remain sufficient against principal debt repayment obligations of ₹2.5-4 crore from FY26-FY28. The current ratio stood moderate at 1.29x while quick ratio stood at 0.54x as on March 31, 2025 (against 1.18x and 0.47x, respectively, as on March 31, 2024). Cash flow from operations (CFO) stood at ₹18.21 crore in FY25 (against ₹14.48 crore in FY24).

**Assumptions/Covenants:** Not applicable

**Environment, social, and governance (ESG) risks:** Not applicable

#### Applicable criteria

[Consolidation](#)

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Auto Components & Equipments](#)

[Short Term Instruments](#)

#### About the company and industry

##### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Automobile and Auto Components	Auto Components	Auto Components & Equipments

Simmonds Marshall Limited (SML), founded in 1960 and public since 1986, is a Pune-based manufacturer of specialised fasteners and is listed on the BSE. The company produces nylon-insert self-locking nuts and other precision fasteners for global automotive OEMs and industrial clients, meeting American, British, Japanese, ISO, and Indian standards. Its integrated 10-acre Chakan MIDC facility houses advanced cold-forming, machining, heat treatment, and plating capabilities, with an installed capacity of 500 million nuts per year. SML also manufactures bolts, studs, and cold-forged components and is certified under IATF 16949, ISO 14001, and ISO 45001.

Brief Financials (₹ crore) - Consolidated	March 31, 2024 (A)	March 31, 2025 (A)	December 31, 2025 (UA)
Total operating income	192.04	207.60	172.04
PBILDT*	17.40	24.64	21.47
Profit after tax (PAT)	3.26	8.96	10.36
Overall gearing (x)	2.55	2.01	NA
Interest coverage (x)	1.90	2.81	3.30

A: Audited UA: Unaudited NA: Not Available; Note: these are latest available financial results

\*PBILDT: Profit before interest, lease rentals, depreciation and tax

Brief Financials (₹ crore) - Standalone	March 31, 2024 (A)	March 31, 2025 (A)	December 31, 2025 (UA)
Total operating income	176.85	193.16	161.00
PBILDT*	17.15	24.41	21.17
Profit after tax (PAT)	3.42	8.96	10.36
Overall gearing (x)	2.55	2.02	NA
Interest coverage (x)	1.87	2.78	3.26

A: Audited UA: Unaudited NA: Not Available; Note: these are latest available financial results

\*PBILDT: Profit before interest, lease rentals, depreciation and tax

**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-Cash Credit		-	-	-	14.30	CARE BBB; Stable
Non-fund-based - ST-Letter of credit		-	-	-	1.50	CARE A3+
Term Loan-Long Term		-	-	October 2031	9.20	CARE BBB; Stable

#### 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	Term Loan-Long Term	LT	9.20	CARE BBB; Stable				
2	Fund-based - LT-Cash Credit	LT	14.30	CARE BBB; Stable				
3	Non-fund-based - ST-Letter of credit	ST	1.50	CARE A3+				

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-Cash Credit	Simple
2	Non-fund-based - ST-Letter of credit	Simple
3	Term Loan-Long Term	Simple

**Annexure-5: Lender details**

To view lender-wise details of bank facilities please [click here](#)

**Annexure-6: List of entities consolidated**

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Studs India	Full	Subsidiary

**Note on complexity levels of rated instruments:** CareEdge 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.

## Contact us

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### About us:

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