

Press Release

East India Steel Company

04 May, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 5.00 Cr. #
Long Term Rating	SMERA BB- Issuer not co-operating*

Refer Annexure for details

* The issuer did not co-operate; based on best available information.

SMERA has reviewed long-term rating of '**SMERA BB-**' (read as **SMERA double B minus**) on the Rs. 5.00 crore bank facilities of East India Steel Company (EISC). This is an indicative rating and based on best available information.

Non-cooperation by the issuer/borrower

SMERA has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit required documents before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Trading entities - <https://www.smera.in/criteria-trading.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). SMERA endeavoured to gather information about the entity/industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information on which the indicative credit rating is based.

About the rated entity

The Pune-based East India Steel Company (EISC) was incorporated as a proprietorship concern in 2008. The firm was promoted by Mr. Abdul Hameed Hasnullah Choudhary and is engaged in the trading of steel scrap. The godown is located at Chakan.

For FY2015-16, the firm reported profit after tax (PAT) of Rs.0.95 cr on operating income of Rs.47.19 cr, as compared to PAT of Rs.0.95 cr on operating income of Rs.49.59 cr in the previous year.

Rating history (last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
03-Mar-2017	Cash Credit	Long Term	4.00	SMERA BB- / Stable (Suspension Revoked, Rating Assigned)
	Proposed Bank Facility	Long Term	1.00	SMERA BB- / Stable (Suspension Revoked, Rating Assigned)
14-Mar-2016	Cash Credit	Long Term	4.00	SMERA B+ / Stable (Suspended)
	Proposed Bank Facility	Long Term	2.00	SMERA B+ / Stable (Suspended)
06-Jan-2015	Cash Credit	Long Term	4.00	SMERA B+ / Stable (Assigned)
	Proposed Bank Facility	Long Term	2.00	SMERA B+ / Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	SMERA BB- Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	1.00	SMERA BB- Issuer not co-operating*

*The issuer did not co-operate; based on best available information.

Contacts

Analytical	Rating Desk
<p>Suman Chowdhury President – SMERA Bond Ratings Tel: 022-67141107 suman.chowdhury@smera.in</p> <p>Namita Palve Analyst - Rating Operations Tel: 022-67141129 namita.palve@smera.in</p>	<p>Varsha Bist Manager - Rating Desk Tel: 022-67141160 varsha.bist@smera.in</p>

ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, D&B and leading public and private sector banks in India. SMERA is registered with SEBI, accredited by RBI as an External Credit Assessment Institution (ECAI), under BASEL-II norms for undertaking Bank Loan Ratings. SMERA Bond Ratings is a division of SMERA Ratings Limited responsible for ratings of bank facilities and capital market/money market debt instruments such as Bonds, Debentures, Commercial Papers, Fixed Deposits, Certificate of Deposits, etc. For more details, please visit www.smera.in.

Disclaimer: *A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.*