

Press Release

Utkal Metallica Limited (UML)

05 January, 2018



Rating Update

| | |
|---------------------------------------|--------------------------------------|
| Total Bank Facilities Rated* | Rs.10.00 Cr |
| Long Term Rating (Indicative) | SMERA B+ Issuer not co-operating* |
| Short Term Rating (Indicative) | SMERA A4 Issuer not co-operating* |

#Refer Annexure for details

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

SMERA has reviewed the long term rating of '**SMERA B+**' (read as **SMERA B plus**) and short term rating of **SMERA A4 (Read as SMERA A Four)** on the Rs.10.00 crore bank facilities of Utkal Metallica Limited. This rating is now an indicative rating and is 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 such information 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

- Manufacturing Entities: <https://www.smera.in/criteria-manufacturing.htm>
- Default Recognition: <https://www.smera.in/criteria-default.htm>
- Financial Ratios and Adjustments: <https://www.smera.in/criteria-fin-ratios.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:

UML was incorporated in 2003 under the directorship of Mr. Manjit Singh Panesar, Mr. Sarabjit Singh Panesar, Mr. Bipin Kumar Gupta, Mr. Ram Kumar Agarwal, Mr. Hardeep Singh and other directors. The company is engaged in the manufacture of sponge iron at its unit at Kalunga,

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Rourkela (Odisha). The company has two kilns with capacity of 50 tonnes per day. The annual production capacity is around 24,000 tonnes per annum.

Rating History for the last three years:

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr.) | Ratings/Outlook |
|------------------|---------------------------------|------------|------------------|------------------------------|
| 08-November-2016 | Cash Credit | Long term | 7.30 | SMERA B+/Stable (Reaffirmed) |
| | Proposed Cash Credit | Long term | 2.00 | SMERA B+/Stable (Reaffirmed) |
| | Bank Guarantee | Short term | 0.40 | SMERA A4 (Reaffirmed) |
| | Proposed Bank Guarantee | Short term | 0.30 | SMERA A4 (Reaffirmed) |
| 06-July-2015 | Cash Credit | Long term | 7.30 | SMERA B+/Stable (Assigned) |
| | Proposed Cash Credit | Long term | 2.00 | SMERA B+/Stable (Assigned) |
| | Proposed Bank Guarantee | Short term | 0.50 | SMERA A4 (Assigned) |
| | Bank Guarantee | Short term | 0.20 | SMERA A4 (Assigned) |

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#Annexure – Details of instruments rated:

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Crore) | Ratings |
|-------------------------|------------------|-------------|---------------|-------------------------------|-----------------------|
| Cash Credit | NA | NA | NA | 7.30 | SMERA B+ (Indicative) |
| Proposed Cash Credit | NA | NA | NA | 2.00 | SMERA B+ (Indicative) |
| Bank Guarantee | NA | NA | NA | 0.40 | SMERA A4 (Indicative) |
| Proposed Bank Guarantee | NA | NA | NA | 0.30 | SMERA A4 (Indicative) |

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

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ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, Dun & Bradstreet Information Services India Private Limited (D&B) and leading public and private sector banks in India. SMERA is registered with SEBI as a Credit Rating Agency and accredited by Reserve Bank of India. 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

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