



SMERA RATINGS LIMITED

Maira Fabricators Private Limited (MFPL)

*Rating
Rationale*

September 10, 2015

Facilities	Amount (Rs. Crore)	Rating
Cash Credit	6.45	SMERA B/Stable (Assigned)
Term Loan	3.50	SMERA B/Stable (Assigned)
Proposed Fund Based	0.05	SMERA B/Stable (Assigned)

SMERA has assigned a rating of '**SMERA B**' (read as **SMERA B**) to the above mentioned bank facilities of Maira Fabricators Private Limited (MFPL). The outlook is '**Stable**'. The rating is constrained by project implementation risk and volatility in raw material prices. The rating is also constrained by the highly competitive and fragmented metal industry and cyclicity of the end user industries. However, the rating draws support from the company's experienced management.

Outlook: Stable

SMERA believes that MFPL will continue to benefit over the medium term from the company's experienced management. The outlook may be revised to 'Positive' if the company is successful in implementing the project according to the scheduled timeline while generating adequate cash flows for debt servicing. Conversely, the outlook may be revised to 'Negative' in case of delays in project execution and generation of inadequate cash flows to service debt.

Rating Sensitivity Factors

- Timely completion of project
- Generating adequate cash flows to service debt

About the Company

MFPL, incorporated in February 2015 is a Kolkata-based company promoted by Mrs. Krishna Devi Sharma and Mr. Vishnu Kumar Goswami. The company is in the process of setting up a zinc galvanising unit for iron and steel products with a total capacity of 18,000 mtpa at Howrah. The trial production is scheduled for October 2015 and commercial production is slated to commence from December 2015.

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