

Press Release

Kay Hardware

May 16, 2017

Rating Update

Total Bank Facilities Rated*	Rs. 8.50 Cr. #
Long Term Rating	SMERA BB Issuer not co-operating*
Short Term Rating	SMERA A4+ 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 BB**) and short term rating of '**SMERA A4+**' (read as '**SMERA A four plus**') on the Rs. 8.50 crore bank facilities of Kay Hardware. 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

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Manufacturing Entities - <https://www.smera.in/criteria-manufacturing.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

Kay Hardware (KH), established in 1999 is an Uttar Pradesh-based hardware manufacturer and exporter of brass door handles, brass handrail brackets, brass door knockers among others. The firm was promoted by Mr Agarwal and family. The manufacturing facility is located at Aligarh, Uttar Pradesh.

For FY2014-15, KH reported profit after tax (PAT) of Rs.1.91 cr on operating income of Rs.19.09 cr as compared with PAT of Rs.2.27 cr on operating income of Rs.15.65 cr in FY2013-14.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
28-Dec-2015	Packing Credit	Short	INR 4	SMERA A4+

		Term		
	FDB/FBE	Short Term	INR 1	SMERA A4+
	Term Loan	Long Term	INR 0.95	SMERA BB / Stable
	Proposed Fund Based	Short Term	INR 2.55	SMERA A4+

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
PC/PCFC	Not Applicable	Not Applicable	Not Applicable	4.00	SMERA A4+ Issuer not co-operating*
Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	1.00	SMERA A4+ Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	0.95	SMERA BB Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	2.55	SMERA A4+ Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Vinayak Nayak Head – Ratings Operations Tel: 022-67141190 vinayak.nayak@smera.in Vishal Choudhary Senior Analyst - Rating Operations Tel: 022-67141159 vishal.choudhary@smera.in	Varsha Bist Sr. Executive Tel: 022-67141160 varsha.bist@smera.in

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.

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