Press Release

Greatweld Engineering Private Limited

October 03, 2018

Rating Update

Total Bank Facilities Rated*	Rs. 44.00 Cr.#
Long Term Rating	ACUITE BB- Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

#Refer Annexure for details
**The issuer did not co-operate; based on best available information.*

Rating Rationale

Acuité has reviewed the long-term rating of **'ACUITE BB-' (read as ACUITE double B minus)** and short term rating of **'ACUITE A4' (read as ACUITE A four)** on the Rs. 44.00 crore bank facilities of Greatweld Engineering Private Limited. This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower:

Acuité 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 Acuité's policies.

Applicable Criteria

- Default Recognition -https://www.acuite.in/view-rating-criteria-17.htm
- Financial Ratios and Adjustments: https://www.acuite.in/financial-sector-ratings.htm
- Manufacturing Entities: https://www.acuite.in/view-rating-criteria-4.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). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

GEPL, (the erstwhile Greatweld Steel Grating Private Limited) was established in 2006, under the directorship of Mr. Rakesh Rajan, Mr. Suhas Baddi,Mr. Ravindra Mule and Mr. Sateesh Rane. The company currently manufactures Mild Steel (MS) gratings and hand rails used in engineering, refineries, cement and other industries related to infrastructure. Going forward, it plans to manufacture valves. The total project cost for the same is around Rs.12.00 crore to be funded through a term loan of Rs.8.00 crore and promoter's contribution of Rs.4.00 crore. GEPL has two manufacturing facilities in Pune, at Markal and Indapur.

For FY2014-15, GEPL reported profit after tax (PAT) of Rs.0.24 Cr on operating income of Rs.63.77 Cr, as compared with profit after tax (PAT) of Rs.2.83 Cr on operating income of Rs.78.11 Cr in FY2013-14. The networth of the company stood at Rs.19.08 Cr as on 31 March 2015 as compared to Rs.17.65 Cr as on 31 March 2014.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
26th May 17	Cash Credit	Long term	16.00	ACUITE BB-/Stable (Indicative)
	Letter of Credit	Short Term	13.00	ACUITE A4 (Indicative)
	Bank Guarantee	Short Term	5.00	ACUITE A4 (Indicative)
	Proposed Cash Credit	Long term	2.00	ACUITE BB-/Stable (Indicative)
	Proposed Term loan	Long term	8.00	ACUITE BB-/Stable (Indicative)
17th Feb 16	Cash Credit	Long term	16.00	ACUITE BB-/Stable (Assigned)
	Letter of Credit	Short Term	13.00	ACUITE A4 (Assigned)
	Bank Guarantee	Short Term	5.00	ACUITE A4 (Assigned)
	Proposed Cash Credit	Long term	2.00	ACUITE BB-/Stable (Assigned)
	Proposed Term loan	Long term	8.00	ACUITE BB-/Stable (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	16.00	ACUITE BB- Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	13.00	ACUITE A4 Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4 Issuer not co-operating*
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BB- Issuer not co-operating*

Proposed Term loan	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE BB- Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Head–Corporate and Infrastructure Sector Rating's Tel: 022-67141111 aditya.gupta@acuite.in Kunal Khera Analyst - Rating Operations Tel: 022-67141116 kunal.khera@acuiteratings.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in

About Acuité Ratings & Research:

Acuité Ratings & Research Limited *(Erstwhile SMERA Ratings Limited)* is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.