

Press Release

Surya Prakaas Foundry

August 09, 2017

Rating Update



| | |
|-------------------------------------|--------------------------------------|
| Total Bank Facilities Rated* | Rs. 7.64 Cr. # |
| Long Term Rating | SMERA B+ 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 B+**' (read as **SMERA B plus**) and short term rating of '**SMERA A4**' (read as '**SMERA A four**') on the Rs. 7.64 crore bank facilities of Surya Prakaas Foundry. 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>

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

Surya Prakaas Foundry (SPF), a proprietorship concern was established in 2003 by Mr. M. Kanagarajan. The Tamil Nadu-based firm is engaged in the manufacturing of castings and has an installed capacity of 2400 MT per annum. Mr Kanagarajan has more than two decades of experience in the business.

For FY2014-15, SPF reported profit after tax (PAT) of Rs.0.50 crore on operating income of Rs.13.04 crore compared with PAT of Rs.0.28 crore on operating income of Rs.6.01 crore in the previous year.

Rating History (Upto last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr.) | Ratings/Outlook |
|-------------|---------------------------------|-----------|------------------|-------------------|
| 13-May-2016 | Cash Credit | Long Term | INR 4.25 | SMERA B+ / Stable |

| | | | | |
|--|-------------------------------|------------|----------|-------------------|
| | Term Loan | Long Term | INR 0.39 | SMERA B+ / Stable |
| | Bank Guarantee | Short Term | INR 2.5 | SMERA A4 |
| | Inland Letter of Credit (ILC) | Short Term | INR 0.5 | 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 |
|------------------------------------|------------------|----------------|----------------|-----------------------------|-----------------------------------|
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 4.25 | SMERA B+ Issuer not co-operating* |
| Bank guarantee/Letter of Guarantee | Not Applicable | Not Applicable | Not Applicable | 2.50 | SMERA A4 Issuer not co-operating* |
| Letter of credit | Not Applicable | Not Applicable | Not Applicable | 0.50 | SMERA A4 Issuer not co-operating* |
| Term loans | Not Applicable | Not Applicable | Not Applicable | 0.39 | SMERA B+ Issuer not co-operating* |

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

Contacts

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|--|---|
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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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