

## Press Release

Everon Castings Private Limited

July 20, 2022



### Rating Reaffirmed and Issuer not co-operating

| Product                            | Quantum<br>(Rs. Cr) | Long Term Rating                                  | Short Term Rating                                 |
|------------------------------------|---------------------|---------------------------------------------------|---------------------------------------------------|
| Bank Loan Ratings                  | 28.00               | ACUITE B+   Reaffirmed   Issuer not co-operating* | -                                                 |
| Bank Loan Ratings                  | 3.00                | -                                                 | ACUITE A4   Reaffirmed   Issuer not co-operating* |
| Total Outstanding Quantum (Rs. Cr) | 31.00               | -                                                 | -                                                 |
| Total Withdrawn Quantum (Rs. Cr)   | 0.00                | -                                                 | -                                                 |

### Rating Rationale

Acuite has reaffirmed the long term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 31.00 crore bank facilities of Everon Castings Private Limited (ECPL). The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

### About the Company

ECPL, incorporated in 2008, is a Coimbatore-based company engaged in the manufacturing of steel castings. The company is promoted by Mr. R. Rajesh who possesses over two decades of experience in the foundry sector. The installed capacity of the company stands at 6,000 tonnes per annum.

### Non-cooperation by the issuer/borrower:

Acuite 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 the due date.

Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

### 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). Acuite has endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

### About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

### Rating Sensitivity

No information provided by the issuer / available for Acuite to comment upon.

### Material Covenants

Not Applicable

### Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

### Outlook

Not Applicable

### Status of non-cooperation with previous CRA

None

### Any other information

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

### Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

### Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

### Rating History

| Date        | Name of Instruments/Facilities | Term       | Amount (Rs. Cr) | Rating/Outlook                                      |
|-------------|--------------------------------|------------|-----------------|-----------------------------------------------------|
| 21 Apr 2021 | Proposed Cash Credit           | Long Term  | 3.24            | ACUITE B+ (Downgraded and Issuer not co-operating*) |
|             | Bank Guarantee                 | Short Term | 3.00            | ACUITE A4 (Issuer not co-operating*)                |
|             | Cash Credit                    | Long Term  | 18.00           | ACUITE B+ (Downgraded and Issuer not co-operating*) |
|             | Term Loan                      | Long Term  | 6.76            | ACUITE B+ (Downgraded and Issuer not co-operating*) |
| 29 Jan 2020 | Bank Guarantee                 | Short Term | 3.00            | ACUITE A4 (Issuer not co-operating*)                |
|             | Proposed Cash Credit           | Long Term  | 3.24            | ACUITE BB- (Issuer not co-operating*)               |
|             | Cash Credit                    | Long Term  | 18.00           | ACUITE BB- (Issuer not co-operating*)               |
|             | Term Loan                      | Long Term  | 6.76            | ACUITE BB- (Issuer not co-operating*)               |
| 17 Nov 2018 | Cash Credit                    | Long Term  | 18.00           | ACUITE BB- (Issuer not co-operating*)               |
|             | Proposed Cash Credit           | Long Term  | 3.24            | ACUITE BB- (Issuer not co-operating*)               |
|             | Term Loan                      | Long Term  | 6.76            | ACUITE BB- (Issuer not co-operating*)               |
|             | Bank Guarantee                 | Short Term | 3.00            | ACUITE A4 (Issuer not co-operating*)                |
|             | Cash Credit                    | Long Term  | 18.00           | ACUITE BB- (Issuer not co-operating*)               |

|             |                      |            |       |                                       |
|-------------|----------------------|------------|-------|---------------------------------------|
| 23 Sep 2017 | Bank Guarantee       | Short Term | 3.00  | ACUITE A4 (Issuer not co-operating*)  |
|             | Term Loan            | Long Term  | 6.76  | ACUITE BB- (Issuer not co-operating*) |
|             | Proposed Cash Credit | Long Term  | 3.24  | ACUITE BB- (Issuer not co-operating*) |
| 21 Jun 2016 | Cash Credit          | Long Term  | 18.00 | ACUITE BB-   Stable (Assigned)        |
|             | Term Loan            | Long Term  | 6.76  | ACUITE BB-   Stable (Assigned)        |
|             | Bank Guarantee       | Short Term | 3.00  | ACUITE A4 (Assigned)                  |
|             | Proposed Cash Credit | Long Term  | 3.24  | ACUITE BB-   Stable (Assigned)        |

## Annexure - Details of instruments rated

| Lender's Name    | ISIN           | Facilities           | Date Of Issuance | Coupon Rate    | Maturity Date  | Quantum (Rs. Cr.) | Rating                                            |
|------------------|----------------|----------------------|------------------|----------------|----------------|-------------------|---------------------------------------------------|
| Karur Vysya Bank | Not Applicable | Bank Guarantee (BLR) | Not Applicable   | Not Applicable | Not Applicable | 3.00              | ACUITE A4   Reaffirmed   Issuer not co-operating* |
| Karur Vysya Bank | Not Applicable | Cash Credit          | Not Applicable   | Not Applicable | Not Applicable | 18.00             | ACUITE B+   Reaffirmed   Issuer not co-operating* |
| Not Applicable   | Not Applicable | Proposed Cash Credit | Not Applicable   | Not Applicable | Not Applicable | 3.24              | ACUITE B+   Reaffirmed   Issuer not co-operating* |
| Karur Vysya Bank | Not Applicable | Term Loan            | Not available    | Not available  | Not available  | 6.76              | ACUITE B+   Reaffirmed   Issuer not co-operating* |

## Contacts

| Analytical                                                                                                                                                                                                                                                                                             | Rating Desk                                                                                                                                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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