

Press Release

Sree Minerals

15 December, 2017



Rating Update

Total Bank Facilities Rated*	Rs.26.00 Cr
Long Term Rating (Indicative)	SMERA B+ Issuer not co-operating*

#Refer Annexure for details

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

SMERA has reviewed the long term rating of '**SMERA B+**' (read as **SMERA B plus**) on the Rs.26.00 crore bank facilities of Sree Minerals. 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>

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:

SM was established as a partnership firm in 2006 by Mr. B. V. Srinivasa Reddy and his wife Mrs. Srilata Reddy to trade and transport iron ore. Subsequently, from 2009, the firm entered into wind power generation. It has three wind mills in Karnataka with a total installed capacity of 16.20 megawatt (MW) and PPA with BESCOM, GESCOM and CESC for 20 years, 5 years and 20 years respectively. The technical support is provided by Suzlon Energy for generation and supply of electricity.

In FY2014-15, SM reported net profit Rs.2.90 crore on operating income of Rs.12.69 crore, as compared to net profit of Rs.1.82 crore on operating income of Rs.13.71 crore in the previous

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year. Further, the firm has reported profit after tax of Rs.1.50 crore on operating income of Rs.12.37 crore for FY2015-16 (provisional).

Rating History for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
19-September-2016	Term Loan (Proposed)*	Long term	26.00	SMERA B+/Stable (Assigned)

**Receivables Securitization Loan*

Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Term Loan (Proposed)	NA	NA	NA	26.00	SMERA B+ Issuer not co-operating*

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

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ABOUT SMERA

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Disclaimer: A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer

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