

Press Release

Ambika Overseas (AO)

20 February, 2018



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|---------------------------------------|---------------------------------------|
| Total Bank Facilities Rated* | Rs.18.00 Cr |
| Long Term Rating (Indicative) | SMERA BB- Issuer not co-operating* |
| Short Term Rating (Indicative) | SMERA A4+ 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 BB-**' (read as **SMERA double B minus**) and the short term rating of '**SMERA A4+**' (read as **SMERA A four Plus**) on the Rs.18.00 crore bank facilities of Ambika Overseas (AO). 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

- Manufacturing Entities: <https://www.smera.in/criteria-manufacturing.htm>
- 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 Company: Ambika Overseas (AO) was incorporated in the 1999 and is located at Jalandhar, Punjab. The company is engaged in the manufacturing of hand tools such as spanners, pliers, punches and hammer, etc. with an installed capacity of 2400 ton per year. The company purchases raw material iron and steel from local markets and sells the product in domestic as well as international market such as Poland, Europe, Greece, Germany, Turkey and others.

In FY2015-16, AO, reported profit after tax (PAT) of Rs.1.02 crore on operating income of Rs.28.78 crore as compared to PAT of Rs.1.21 crore on operating income of Rs.35.79 crore in the previous year.

Rating History upto last three years:

| Date | Name of Instrument / Facilities | Term | Amount (Rs.Crore) | Ratings/Outlook |
|------------------|---------------------------------|------------|-------------------|-----------------------------|
| 14 December 2016 | Cash Credit | Long Term | 7.00 | SMERA BB-/Stable (Assigned) |
| | Packing Credit | Short Term | 9.00 | SMERA A4+/Stable (Assigned) |

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|--|----------------------------------|------------|------|--------------------------------|
| | FOUBP/FAUBC | Short Term | 1.00 | SMERA A4+/Stable (Assigned) |
| | ILC/FLC (DA/DP Basis)/ILG/FLG | Short Term | 1.00 | SMERA A4+/Stable (Assigned) |

Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings/Outlook |
|----------------------------------|------------------|----------------|----------------|-----------------------------|---------------------------------------|
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 7.00 | SMERA BB- Issuer not co-operating* |
| Packing Credit | Not Applicable | Not Applicable | Not Applicable | 9.00 | SMERA A4+ Issuer not co-operating* |
| FOUBP/FAUBC | Not Applicable | Not Applicable | Not Applicable | 1.00 | SMERA A4+ Issuer not co-operating* |
| ILC/FLC (DA/DP Basis)/ILG/FLG | Not Applicable | Not Applicable | Not Applicable | 1.00 | SMERA A4+ Issuer not co-operating* |

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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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