

Press Release

Eastman Mettcast Limited

12 April, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 17.00 Cr.
Long Term Rating (Indicative)	SMERA B+ 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 rating of '**SMERA B+**' (read as **SMERA B plus**) and '**SMERA A4**' (read as **SMERA A four**) to the Rs. 17.00 crore bank facilities of Eastman Mettcast Limited. 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.

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 endeavored 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.

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

About the Rated Entity: The Ludhiana, Punjab-based EML was incorporated in 2006 initially promoted by Mr. Jagdeep Singal and his family, as Swift Mettcast Limited. In January 2013, the company was taken over by Mr. Subhash Goel and his family, the name has been changed to Eastman Mettcast Limited (EML) and managing the operations of the company. Now, the company is engaged in the business of manufacturing of auto component of heavy vehicle and two wheelers such as gear box, clutch braking system, clutch cover etc. The currently, the promoters of the company are Mr. Gaurav Goel, Mrs. Vinita Subhash and Mr. Karan Goel.

For FY2015-16, the company reported profit after tax (PAT) of Rs.1.45 crore on operating income of Rs.52.42 crore, as compared with losses of Rs.3.34 crore on operating income of Rs.48.00 crore in FY2014-15. The net worth stood at Rs.12.94 crore as on March 31, 2016 as against Rs.11.49 crore in the previous year.

Applicable Criteria

- Default Recognition-<https://www.smera.in/criteria-default.htm>
- Financial Ratios and Adjustments-<https://www.smera.in/criteria-fin-ratios.htm>

Rating History (Upto last three years)

Date	Facilities	Amount (Rs. Crore)	Ratings		Rating Outlook
			Long Term	Short Term	
17 February, 2017	Cash Credit	15.00	SMERA B+ (Assigned)	-	Stable
	Letter of Credit	2.00	SMERA A4 (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	15.00	SMERA B+ Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.00	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.

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 and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.*