

Press Release

New Era Adhesive Industries

06 April, 2018



Rating Update

Total Bank Facilities Rated*	Rs.2.80 Cr
Long Term Rating (Indicative)	SMERA BBB- 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 BBB-**' (read as **SMERA triple B minus**) on the Rs. 2.50 crore bank facilities of New Era Adhesive Industries (NEAI). 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>
- Consolidation Entities: <https://www.smera.in/criteria-consolidation.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 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.

About the Rated Entity:

New Era Adhesive Industries (NEAI), established in 1989, is a Jalgaon-based proprietorship concern engaged in the manufacturing of sealant products while New Era Adhesive and Sealants Private Limited (NEASPL), incorporated in 1995 is engaged in the marketing of the aforementioned. The manufacturing unit is located at Jalgaon, Maharashtra.

For FY 2015-16, New Era Group reported profit after tax (PAT) of Rs.2.79 crore on operating income of Rs.19.58 crore as compared to PAT of Rs.1.04 crore on operating income of Rs.15.03 crore for FY2014-15. The net worth stood at Rs.6.66 crore as on March 31, 2016 as compared with Rs.4.28 crore as on March 31, 2015.

Rating History for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
March 23, 2017	Cash Credit	Long term	2.20	SMERA BBB-/Stable (Assigned)
March 23, 2017	Term Loan	Long term	0.60	SMERA BBB-/Stable (Assigned)

Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash Credit	NA	NA	NA	2.80	SMERA BBB-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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