

Press Release

Mittal Engineering Works (MEW)

06 February, 2018



Rating Update

Total Bank Facilities Rated*	Rs.9.00 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 long term rating of '**SMERA B+** (read as SMERA B plus) and short term rating of **SMERA A4** (read as SMERA A four) on the above bank facilities of Mittal Engineering Works (MEW). 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>
- Manufacturing Entities: <https://www.smera.in/criteria-manufacturing.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

MEW was established in 1989 as a partnership firm by Mr. Laxminarayan Agarwal, Mr. Devichand Agarwal and Mrs. Bharpadevi Agarwal. Later in 2000, Mr. Mukesh Mittal joined as a partner.

The firm started off by manufacturing sheet metal components. From 2011 it began the manufacture of ERW tubes that contributed around 70 per cent to total sales and the balance 30 per cent from sheet metal components. The firm has a manufacturing unit with two tube mills in Chakan, Pune.

For FY2016-17, MEW reported net profits of Rs.0.06 crore on operating income of Rs.21.14 crore, as compared to net profits of Rs.0.04 crore on operating income of Rs.34.23 crore in FY2015-16.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
21 November 2016	Cash Credit	Long Term	6.00	SMERA B+ (Assigned)
	Term Loan	Long Term	2.00	SMERA B+ (Assigned)
	Letter of Credit	Short Term	1.00	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
Cash Credit	NA	NA	NA	6.00	SMERA B+ (Indicative)
Term Loan	NA	NA	NA	2.00	SMERA B+ (Indicative)
Letter of Credit	NA	NA	NA	1.00	SMERA A4 (Indicative)

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

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ABOUT SMERA

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