

## Press Release

### H F Metalart Private Limited

August 20, 2018

### Rating Update



<b>Total Bank Facilities Rated*</b>	Rs. 14.00 Cr.#
<b>Long Term Rating</b>	ACUITE B Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A4 Issuer not co-operating*

#Refer Annexure for details

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

### Rating Rationale

Acuite has reviewed the long term rating of '**ACUITE B**' (read as **ACUITE B**) and short term rating of '**ACUITE A4**' (read as **ACUITE A four**) to the above bank facilities of **H F Metalart Private Limited**. This rating is now an indicative rating and is based on best available information.

#### Non-cooperation by the issuer/borrower:

Acuite 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 Acuite's policies.

#### Applicable Criteria

- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Application of Financial Ratios and Adjustments: <https://www.acuite.in/view-rating-criteria-20.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-17.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). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

#### About the Rated Entity:

HF Metal Art Private Limited (HF MPL), incorporated in 2005 was promoted by Mr. Hanspeter Faude and Mr. Benjamin Merkli. The company is engaged in the manufacture and export of gift items such as gold and silver coins, medals, trophies, pendants among others. The company purchases gold from MMTC Limited, brass and copper from the domestic market and imports pendants from Germany (on order basis). The manufacturing facility located at Jaipur has capacity of 10000 gold and silver coins and around 1000 brass medals per day. Around 90 per cent of the manufactured products are exported to Switzerland with the balance 10 per cent sold in the domestic market.

For FY2016-17 (Provisional), the company reported loss of Rs.(-2.52) crore on operating income of Rs.9.66 crore, as compared with profit after tax (PAT) of Rs.1.46 crore on operating income of Rs.76.97 crore in FY2015-16. The net worth stood at Rs.33.68 crore as on 31 March, 2017 (Provisional) against Rs.36.22 crore a year earlier.

#### Status of non-cooperation with previous CRA (if applicable)

None

#### Any other information

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

#### Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
05-June-2017	Cash Credit	Long term	3.75	ACUITE B (Assigned)
	PC/PCFC	Short term	3.25	ACUITE A4 (Assigned)
	Bank Guarantee/Letter of Guarantee	Short term	7.00	ACUITE 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	3.75	ACUITE B Issuer not co-operating*
PC/PCFC	Not Applicable	Not Applicable	Not Applicable	3.25	ACUITE A4 Issuer not co-operating*
Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE A4 Issuer not co-operating*

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**About Acuite Ratings & Research:**

Acuite Ratings & Research Limited (*erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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