

Press Release

Eastern Track Udyog Private Limited

August 11, 2022



Rating Reaffirmed & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings Loan	23.00	ACUITE BB+ Reaffirmed & Withdrawn Issuer not co-operating*	-
Bank Ratings Loan	67.00	-	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	90.00	-	-

Rating Rationale

Acuite has reaffirmed & withdrawn the long term rating of '**ACUITE BB+**' (read as ACUITE double B plus) and the short term rating of 'ACUITE A4+' (read as A four plus) on the Rs.90.00 Cr bank facilities of Eastern Track Udyog Private Limited (ETUPL).

The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating. The rating is flagged as "Issuer Not Cooperating". The rating is being withdrawn on account of request received from the company and NOC received from the banker.

About the Company

Eastern Track Udyog Private Limited (ETUPL) was established as a proprietorship firm in 1988 by Mr. Subhas Kedia which was later reconstituted in 1996 as a partnership firm. Further, in 2006, the firm was converted into a private limited company. The company undertakes tender based contract to manufacturing of railway track items in the form of fish plates; groove rubber sole plate (GRSP) -6mm, 10mm, 25/30mm; Elastic Rail Clip (ERC) ERC-II, III, V; Metal Liner; Single Coil Spring Washer; Composite Grooved Rubber Sole Plate; Glued Joint; HTS bolt and nuts; GFN Liners; Channel Sleepers. The manufacturing unit is located in Asansol. The company is an approved manufacturer and supplier of Research Design and Standard Organization (RSDO).

About the Group

Jai Dadi Group was incorporated in 1988 by Mr. Subhash Kedia and has three main units namely, Eastern Track Udyog Private Limited, Kedsati Iron & Steel Private Limited and Fabro Forge. The group is involved in the manufacturing and supplying of railway track items for more than 2 decades. The entities undertake tender based contract from railways to manufacture and supply of railway track items in the form of fish plates, elastic rail clips, HTS nuts and bolts, channel sleepers, to name a few.

Non-cooperation by the issuer/borrower:

Acuité 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 the due date. Acuité believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité'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). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Rating Sensitivity

No information provided by the issuer / available for Acuite to comment upon.

Material Covenants

Not Applicable.

Liquidity Position

No information provided by the issuer / available for Acuité to comment upon.

Outlook

Not Applicable.

Status of non-cooperation with previous CRA

Not Applicable.

Any other information

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

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
17 May	Proposed Bank Guarantee	Short Term	40.00	ACUITE A4+ (Downgraded and Issuer not co-operating*)
	Proposed Cash Credit	Long Term	10.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)

2021	Cash Credit	Long Term	13.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	27.00	ACUITE A4+ (Downgraded and Issuer not co-operating*)
21 Feb 2020	Proposed Cash Credit	Long Term	10.00	ACUITE BBB- Stable (Reaffirmed)
	Proposed Bank Guarantee	Short Term	40.00	ACUITE A3 (Reaffirmed)
	Bank Guarantee	Short Term	27.00	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	13.00	ACUITE BBB- Stable (Reaffirmed)
30 Jan 2020	Cash Credit	Long Term	13.00	ACUITE BBB- Stable (Upgraded from ACUITE BB+ Stable)
	Bank Guarantee	Short Term	7.00	ACUITE A3 (Upgraded from ACUITE A4+)
02 Jan 2020	Bank Guarantee	Short Term	7.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	13.00	ACUITE BB+ Stable (Upgraded from ACUITE BB)
22 Nov 2019	Proposed Cash Credit	Long Term	13.00	ACUITE BB (Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	7.00	ACUITE A4+ (Issuer not co-operating*)
30 Aug 2018	Proposed Cash Credit	Long Term	13.00	ACUITE BB (Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	7.00	ACUITE A4+ (Issuer not co-operating*)
08 Aug 2017	Proposed Cash Credit	Long Term	13.00	ACUITE BB Stable (Assigned)
	Proposed Letter of Credit	Short Term	7.00	ACUITE A4+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Axis Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	27.00	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Axis Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	13.00	ACUITE BB+ Reaffirmed & Withdrawn Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	40.00	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE BB+ Reaffirmed & Withdrawn Issuer not co-operating*

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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