

May 06, 2014

Facilities	Amount (Rs. Crore)	Rating
Term Loan	55.99	SMERA D (Assigned)
Cash Credit*	58.00	SMERA D (Assigned)
Corporate Loan	7.06	SMERA D (Assigned)
Letter of Credit	2.50	SMERA D (Assigned)
Bank Guarantee	4.00	SMERA D (Assigned)
Credit Exposure Limit	0.70	SMERA D (Assigned)

*Includes sub-limit of Letter of Credit to the extent of Rs.7.50 crore, Local Bills Discounted to the extent of Rs.17.00 crore, Import Letter of Credit (unsecured) to the extent of Rs.17.00 crore, Import Letter of Credit (secured) to the extent of Rs.17.00 crore, Overdraft to the extent of Rs.5.00 crore, Short Term loans to the extent of Rs.5.00 crore and Overdraft to the extent of Rs.3.00 crore.

SMERA has assigned a rating of '**SMERA D**' (**read as SMERA D**) to the Rs.128.25 crore bank facilities of C.M. Smith & Sons Limited (CMSS). The rating reflects delays in servicing and repayment of term loan by the company. The rating also reflects the company's stretched liquidity position, which is evidenced by high utilisation of cash credit limit.

About the company

CMSS, incorporated in 1943, is a Gujarat-based company engaged in manufacturing of various automotive components, including brake drums, clutch housings, flywheel housings and wheel hubs for passenger cars, utility vehicles and commercial vehicles.

For FY2012-13 (refers to financial year, April 01 to March 31), CMSS registered PAT of Rs.1.07 crore on revenues of Rs.168.24 crore, as compared with PAT of Rs.6.90 crore on revenues of Rs.188.35 crore for FY2011-12. CMSS's net worth stood at Rs.43.76 crore as on March 31, 2013, as compared with Rs.41.03 crore a year earlier.

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