



SMERA RATINGS LIMITED

Muneer Enterprises (ME)

Rating Rationale

May 19, 2014

| Facilities | Amount (Rs. Crore) | Rating |
|------------------------------------|--------------------|---------------------------|
| Working Capital Term Loan | 10.00 | SMERA D (Assigned) |
| Proposed Long Term Facility | 10.00 | SMERA D (Assigned) |

SMERA has assigned a rating of '**SMERA D**' to the Rs.20.00 crore bank facilities of Muneer Enterprises (ME). The rating reflects delays in debt servicing by the firm. The rating also reflects the firm's weak financial profile marked by stretched liquidity position and losses at operating level.

About the firm

ME, established in 1963, is a Karnataka-based partnership firm promoted by Mr. Nayeemuddin. ME was allotted an iron ore mine (ML 2339, in Hospet Bellary, Karnataka) in 1963. However, the firm's operations have been affected by ban on iron ore mining since 2010.

For FY2012-13 (refers to financial year, April 01 to March 31), ME reported net loss of Rs.1.15 crore on operating income of Rs3.41 crore, as compared with net loss of Rs.4.95 crore on operating income of Rs.15.95 crore for FY2011-12. ME's net worth stood at Rs. 26.43 crore as on March 31, 2013, as compared with Rs. 26.85 crore a year earlier.

Contact List:

| Media/Business Development | Analytical Contacts | Rating Desk |
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