

CARE/CMBO/RL/2015-16/1031

Mr. N Krishna Samaraj
Managing Director
Magna Electro Castings Limited
43, Balasundaram road,
Coimbatore.

January 8, 2016

Confidential

Dear Sir,

Credit rating for bank facilities

On the basis of recent developments including operational and financial performance of your company for FY15 & H1 FY16, our Rating Committee has reviewed the following ratings:

Facilities	Amount (Rs. crore)	Ratings¹	Remarks
Long term bank facilities	13.34 (reduced from 15.19)	CARE BBB+ (Triple B Plus)	Reaffirmed
Short term bank facilities	15.25	CARE A2 (A Two)	Reaffirmed
Total Facilities	28.59 (Rupees Twenty Eight Crore and Fifty Nine Lakhs only)		

2. Refer **Annexure 1** for details of rated facilities.
3. The rationale for this rating will be communicated to you separately.
4. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
5. CARE reserves the right to suspend/withdraw/revise the rating assigned on the basis of new information or in the event of failure on the part of the company to furnish such information, material or clarifications as may be required by

¹Complete definitions of the ratings assigned are available at www.careratings.com and other CARE publications

Handwritten initials/signature

CARE. CARE shall also be entitled to publicize/disseminate such suspension / withdrawal / revision in the assigned rating in any manner considered appropriate by it, without reference to you.

6. CARE ratings do not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.
7. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
8. CARE ratings are **not** recommendations to sanction, renew, disburse or recall the concerned bank facilities.

If you need any clarification, you are welcome to approach us in this regard.

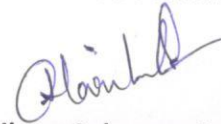
Thanking you,

Yours faithfully,



Harikrishnan V
Deputy Manager

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Harihara Subramanian C
Senior Manager

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Encl.: As above

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Annexure 1
Details of Rated Facilities

1. Long-term facilities

1. A. Rupee Term loans

(Rs. Crore)

Sr. No.	Name of Bank	Amount*	Remarks
1	Indian Bank -Term Loan I	1.57	Repayment of Rs.7.08 lacs every month
2	Term Loan II	1.77	Repayment of Rs.5.33 lacs every month
	Total	3.34	

* O/s as on December 31, 2015

1. B Fund-based limits

(Rs. Crore)

Sr. No.	Name of Bank	Fund Based Limits		
		CC	Others	Total fund-based limits
1	Corporation Bank	5	-	5
2	Indian Bank	5		5
	TOTAL	10	-	10

*CC=Cash credit

Total long-term facilities Rs.13.34 crore

2. Short-term facilities

(Rs. Crore)

Sr. No.	Name of Bank	Fund-Based Limits	
		FBP/FBD*	Total
1	Corporation Bank	10	10
	TOTAL	10	10

*FBP/FBD = Foreign bills purchase/discounting

Sr. No.	Name of Bank	Non-fund-Based Limits	
		LC/BGs*	Total
1	Corporation Bank	5.25	5.25
	TOTAL	5.25	5.25

*LC-Letter of Credit, BG- Bank Guarantee

Total short-term facilities Rs.15.25 crore

Handwritten initials/signature

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(Rs. Crore)

Sr. No.	Name of Bank	Fund Based Limits		
		CC	Others	Total fund-based limits
1	Corporation Bank	5	-	5
2	Indian Bank	5		5
	TOTAL	10	-	10

*CC=Cash credit

Total long-term facilities Rs.13.34 crore

2. Short-term facilities

(Rs. Crore)

Sr. No.	Name of Bank	Fund-Based Limits	
		FBP/FBD*	Total
1	Corporation Bank	10	10
	TOTAL	10	10

*FBP/FBD = Foreign bills purchase/discounting

Sr. No.	Name of Bank	Non-fund-Based Limits	
		LC/BGs*	Total
1	Corporation Bank	5.25	5.25
	TOTAL	5.25	5.25

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Total short-term facilities Rs.15.25 crore