

**CARE/CMBO/RL/2016-17/1050**

**Mr. N Krishna Samaraj**  
Managing Director  
**Magna Electro Castings Limited**  
43, Balasundaram road,  
Coimbatore - 641018

December 16, 2016

Confidential

Dear Sir,

**Credit rating for bank facilities**

On the basis of recent developments including operational and financial performance of your company for Audited FY16 and Provisional H1FY17, our Rating Committee has reviewed the following ratings:

Facilities	Amount (Rs. crore)	Rating <sup>1</sup>	Remarks
Long term Bank Facilities	12.08 (reduced from 13.34)	CARE BBB+; Stable (Triple B Plus; Outlook: Stable)	Reaffirmed
Short term Bank Facilities	15.25	CARE A2 (A Two)	Reaffirmed
<b>Total</b>	<b>27.33</b> <b>(Rupees Twenty Seven Crore and Thirty Three Lakhs only)</b>		

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.

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications.

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 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](http://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,



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Deputy 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. Long Term Rupee Loans**

*(Rs. Crore)*

Name of the Bank	Rated amount (Rs. crore)*	Repayment Terms
Indian Bank	0.85	Monthly Repayment of Rs. 0.07 crore
Indian Bank	1.23	Monthly Repayment of Rs. 0.05 crore
<b>Total</b>	<b>2.08</b>	

\*Outstanding as of November 30, 2016

**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
	<b>TOTAL</b>	<b>10</b>	<b>-</b>	<b>10</b>

\*CC=Cash credit

**Total long-term facilities Rs.12.08 crore**

**2. Short-term facilities**

**2.A. Fund based Facilities**

*(Rs. Crore)*

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

\*FBP/FBD = Foreign bills purchase/discounting

**2.B. Non-fund based Facilities**

*(Rs. Crore)*

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

\*LC-Letter of Credit, BG- Bank Guarantee

**Total short-term facilities Rs.15.25 crore**