

Press Release

Melt-O-Therm Furnaces Private Limited

March 19, 2021

Ratings

Instrument/ Facility	Amount (Rs. Crore)	Ratings	Rating Action
Long Term Bank Facilities	9.82	IVR B+; Issuer not cooperating* (IVR Single B plus; Issuer not cooperating)	Revised from IVR BB- /Stable (IVR Double B minus with Stable Outlook) and moved to Issuer Not Cooperating
Short Term Bank Facilities	0.18	IVR A4; Issuer not cooperating (IVR Single A Four; Issuer not cooperating)	Revised from IVR A4+ (IVR Single A Four Plus) and moved to Issuer Not Cooperating
Total	10.00		

**Issuer did not cooperate; based on best available information*

Details of Facility are in Annexure 1

Detailed Rationale

The rating revision is because of lack of adequate information regarding Melt-O-Therm Furnaces Private Limited (MTFPL)'s performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the company is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the ratings may not adequately reflect the credit risk profile of the company.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide E-mail communications February 25, 2021, March 1, 2021, March 8, 2021, March 13, 2021 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted surveillance fees and all the essential details required for detailed review of the assigned ratings.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term and short-term ratings for the bank loan facilities aggregating to Rs.10 crore of MTFPL shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics.



Press Release

Analytical Approach & Applicable Criteria

Guidelines on what constitutes Non-Cooperation by clients

Rating Methodology for Manufacturing Companies

Financial Ratios & Interpretation (Non-Financial Sector)

About the Company

Incorporated in 2011, Melt-O-Therm Furnaces Private Limited (MTFPL) is a West Bengal based company promoted by Mr. Sandip Ghosh. The company started its operation in September, 2015 and it is engaged in manufacturing of aluminium extrusion products with installed capacity of 3000 MT per annum.

Financials (Standalone):

(Rs. crore)

For the year ended* / As On	31-03-2018	31-03-2019
	Audited	Audited
Total Operating Income	16.31	30.78
EBITDA	1.90	2.00
PAT	0.34	0.62
Total Debt	8.84	9.03
Tangible Net worth	2.43	3.53
EBITDA Margin (%)	11.65	6.49
PAT Margin (%)	2.06	2.01
Overall Gearing Ratio (x)	1.65	1.13

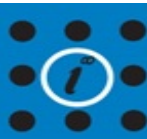
*Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: Not Applicable.

Any other information: Nil

Rating History for last three years:

Sr. No	Name of Instrument/Facilities	Current Rating (Year 2020-21)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19	Date(s) & Rating(s) assigned in 2017-18
1.	Term Loan	Long Term	1.55	IVR B+; Issuer not cooperating*	IVR BB-/ Stable Outlook (Feb. 12, 2020)		
2.	Cash Credit	Long Term	4.00	IVR B+; Issuer not cooperating*	IVR BB-/ Stable Outlook (Feb. 12, 2020)		
3.	Proposed Fund Based Facilities	Long Term	4.27	IVR B+; Issuer not cooperating*	IVR BB-/ Stable Outlook (Feb. 12, 2020)		



Press Release

Sr. No	Name of Instrument/Facilities	Current Rating (Year 2020-21)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19	Date(s) & Rating(s) assigned in 2017-18
	Bank Guarantee	Short Term	0.18	IVR A4 ; Issuer not cooperating*	IVR A4+ (Feb. 12, 2020)		

* Issuer did not cooperate; based on best available information

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

Name and Contact Details of the Rating Analyst:

Name: Mr. Chandrakant Bagri	Name: Mr. Avik Podder
Tel: (033) 46022266	Tel: (033) 46022266
Email: chandrakant.bagri@infomerics.com	Email: apodder@infomerics.com

About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Firm's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are 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 us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs 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/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs.Crore)	Rating Assigned/ Outlook
Term Loan	-	-	Sept'2020	1.55	IVR B+; Issuer not cooperating*
Cash Credit	-	-	-	4.00	IVR B+; Issuer not cooperating*



Press Release

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs.Crore)	Rating Assigned/ Outlook
Proposed Fund Based Facilities	-	-	-	4.27	IVR B+; Issuer not cooperating*
Bank Guarantee	-	-	-	0.18	IVR A4 ; Issuer not cooperating*

* Issuer did not cooperate; based on best available information

