

CARE/HO/RL/2016-17/2852

Mr. Purushotham Eaga  
Chairman & Managing Director  
Smruthi Organics Limited  
165 A, Balaji Bhavan,  
Railway lines,  
Solapur - 413001

November 11, 2016

**Confidential**

Dear Sir,

**Credit rating for bank facilities**

On the basis of recent developments including operational and financial performance of your company for FY2016 and Q1FY17 Un-audited, our Rating Committee has reviewed the following ratings:

Facilities	Amount (Rs. crore)	Rating*	Remark
Long term Fund Based	24.00 (enhanced from Rs.3.76 crore)	CARE BB [Double B]	Reaffirmed
Term Loan	12.77 (enhanced from Rs.6.24 crore)	CARE BB [Double B]	Reaffirmed
Short term Non Fund Based	10.00 (enhanced from Rs.2.50 crore)	CARE A4 [A Four]	Reaffirmed
<b>Total facilities</b>	<b>46.77</b> <b>(Rs. Forty Six Crore and Seventy Seven 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 suspend/withdraw/revise the rating assigned on the basis of new information or in the event of failure on the part of the entity 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.

\* 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 entity 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 any bank facilities.

If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE.

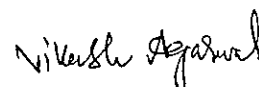
Thanking you,

Yours faithfully,



**[Karan Punjabi]**  
Analyst

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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 Secured Term Loans

Sr. No.	Name of Bank	Sanctioned Limits	Rated Amount & Outstanding*
1	Axis Bank	19.25	6.77
2	State Bank of India	6.00	6.00
	<b>Total</b>	<b>25.25</b>	<b>12.77</b>

\*outstanding as on 30.09.2016;

**Total rated secured Term Loan (1): Rs.12.77 crore**

#### 2. Long-term Bank facilities

##### Fund Based Limits

(Rs crore)

Sr. No.	Name of Bank	Rated Amount
1.	State Bank of India	24.00
	<b>TOTAL</b>	<b>24.00</b>

**Total long-term facilities rated (2): Rs 24.00 crore**

#### 3. Short-term Bank facilities

##### Non-Fund Based Limits

(Rs crore)

Sr. No.	Name of Bank	LC	BG
1.	State Bank of India	9.00	1.00
	<b>TOTAL</b>	<b>9.00</b>	<b>1.00</b>

LC= Letter of Credit; BG= Bank Guarantee

**Total short-term facilities rated (3): Rs.10.00 crore**

**Total bank facilities rated (1+2+3): Rs 46.77 crore**