
June 7, 2010

CARE ASSIGNS 'CARE BBB-' AND 'PR3' RATINGS TO THE BANK FACILITIES OF INDO SHELL CAST PVT LTD.

Ratings Assigned

Facilities/Instruments	Amount (Rs. crore)	Ratings ¹	Remarks
Long-term Bank Facilities	3.72	'CARE BBB-' (Triple B Minus)	Assigned
Short-term Bank Facilities	0.15	'PR3' (PR Three)	Assigned
Long / Short-term Facilities	11.00	'CARE BBB-' / 'PR3'	Assigned
Total facilities	14.87		

Rating rationale

The ratings factor in promoter's experience and ISC's long standing presence in the industry, its established export market for ferrous casting products and the fact that ISC is a certified supplier of safety critical components to several international auto component majors and relatively low level of overall gearing. The ratings are however constrained by small size of the company with low level of networth, low margins and dependence on auto industry which is cyclical in nature. The ratings also take into account the debt restructuring undergone by the company in the recent past.

Ability of the company to diversify its revenue stream from being heavily dependant on auto sector and ability of the company to improve its margins would remain key rating sensitivities.

Company Profile

Indo Shell Cast Private Limited (ISC) is a small sized but one of the few Shell Moulding Foundries in the country manufacturing ferrous castings for automobiles, engines and hydraulics catering to both domestic and international markets. The company was incorporated in 1987 and commenced commercial operations in 1994. Spheroidal Graphite iron castings in a weight range of 50 gms to 15 Kgs constitute approximately 80% of company's sales by volume.

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

ISC registered a PAT of Rs.2cr on a total income of Rs.82cr in FY09. For the nine month period ended Dec'09, the company posted a PAT of Rs.3cr on a total income of Rs.44cr.

Analyst Contact

Name: K. Karthik Raj

Tel # 044-28697812

Mobile # 9940162244

Email: Karthik.raj@careratings.com

CARE classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries /regulators or others are welcome to write to care@careratings.com for any clarifications.

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.

CARE is headquartered in Mumbai, with Offices all over India. The office addresses and contact numbers are given below:

HEAD OFFICE: MUMBAI

Mr. D.R. Dogra

Managing Director

Cell : +91-98204 16002

E-mail : dr.dogra@careratings.com

Mr. Rajesh Mokashi

Dy. Managing Director

Cell : +91-98204 16001

E-mail: rajesh.mokashi@careratings.com

Mr. Ankur Sachdeva

Head - Business Development

Cell : +91-9819698985

E-mail: ankur.sachdeva@careratings.com

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway,
Sion (East), **Mumbai 400 022** Tel.: (022) 67543456 Fax: (022) 67543457

Website: www.careratings.com

OFFICES

<p>Mr.Mehul Pandya Regional Manager 32 TITANIUM Pralhadnagar Corporate Road, Satellite, Ahmedabad - 380 015. Tel – 079 4026 5656 Mobile - 98242 56265 E-mail: mehul.pandya@careratings.com</p>	<p>Mr.Sundara Vathanan Regional Manager Unit No. 8, I floor, Commander's PlaceNo. 6, Raja Ram Mohan Roy Road, Richmond Circle, Bangalore - 560 025. Tel – 080 2211 7140 Mobile – 98803 60878 E-mail: sundara.vathanan@careratings.com</p>
<p>Mr.Ashwini Jani Regional Manager Unit No. O-509/C, Spencer Plaza, 5th Floor, No. 769, Anna Salai, Chennai 600 002 Tel: 044 2849 7812/2849 0811 Mobile – 91766 47599 E-mail : ashwini.jani@careratings.com</p>	<p>Mr. Rahul Patni Regional Manager 401, Ashoka Scintilla 3-6-520, Himayat NagarHyderabad - 500 029 Tel – 040 _40102030 Mobile – 91600 04563 E-mail: rahul.patni@careratings.com</p>
<p>Mr. Sukanta Nag Regional Manager 3rd Floor, Prasad Chambers (Shagun Mall Building) 10A, Shakespeare Sarani Kolkata - 700 071. Tel – 033 2283 1800/1803 Mobile – 98311 70075 E- mail: sukanta.nag@careratings.com</p>	<p>Ms.Swati Agrawal Regional Manager 710 Surya Kiran, 19 K.G. Road, New Delhi - 110 001. Tel – 011 2331 8701/2371 6199 Mobile – 98117 45677 E-mail : swati.agrawal@careratings.com</p>