Eastern Gases Limited

November 17, 2017

Summary of Rated Instrument:

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund based-Cash Credit	41.00	41.00	[ICRA]D ISSUER NOT COOPERATING*; Rating moved to the 'Issuer Not Cooperating' category
Non-Fund based-Bank Guarantee	6.00	6.00	[ICRA]D ISSUER NOT COOPERATING*; Rating moved to the 'Issuer Not Cooperating' category
Total	47.00	47.00	

*Issuer did not co-operate; based on best available information.

Rationale

ICRA has moved the rating for the Rs. 47.0[1] crore long-term and short-term bank facilities of Eastern Gases Limited (EGL) [2] to the 'Issuer Not Cooperating' category. The rating is now denoted as "[ICRA]D ISSUER NOT COOPERATING".

The rating is based on limited or no updated information on the entity's performance since the time it was last rated in August 2017. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating does not adequately reflect the credit risk profile of the entity. The entity's credit profile may have changed since the time it was last reviewed by ICRA; however, in the absence of requisite information, ICRA is unable to take a definitive rating action.

As part of its process and in accordance with its rating agreement with Eastern Gases Limited, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA's Rating Committee has taken a rating view based on the best available information.

Analytical approach

ICRA has applied its rating methodologies/policies as indicated below**:**

Links to applicable criteria:

[Policy in respect of non-cooperation by the rated entity]

[1] *100 lakh = 1 crore = 10 million*
[2] *For complete rating scale and definitions, please refer to ICRA's website www.icra.in or other ICRA Rating Publications*

About the company:

Eastern Gases Limited (EGL) is involved in the bottling and marketing of Liquefied Petroleum Gas (LPG) to industrial consumers through bulk supplies and to distributors/ dealers through cylinders under the brand name "East Gas". It is one of the largest parallel marketers of LPG in Eastern India.

Incorporated as a public limited company in 1995, EGL started commercial production from its production facility at Durgapur in 1998. The manufacturing facilities of the company are based out of Durgapur, Bangalore and Hyderabad. The three plants have a combined production capacity of 70 metric tonne per annum (MTPA).

The previous detailed rating rationale is available on the following link: Click here

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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