August 20, 2020

# Eastern Gases Limited: Continues to remain under issuer Non-Cooperating category

## 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 continues to remain under 'Issuer Not Cooperating' category |
| Non-Fund Based Bank Guarantee | 6.00 | 6.00 | [ICRA]D ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category |
| **Total** | **47.00** | **47.00** | |

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

## Rationale

The rating for the Rs. 47.00 crore bank facilities of Eastern Gases Limited continues to remain under 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]D/[ICRA]D ISSUER NOT COOPERATING"

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. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

## Analytical approach

| Analytical Approach | Comments |
|---|---|
| Applicable Rating Methodologies | Policy in respect of non-cooperation by the rated entity<br>Corporate Credit Rating Methodology<br>Policy on Default Recognition |
| Parent/Group Support | Not Applicable |
| Consolidation / Standalone | The rating is based on standalone financial statements of the issuer. |

## 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

## Key financial indicators: Not Applicable

## Status of non-cooperation with previous CRA

Not applicable

## Rating history for past three years

| | Instrument | Current Rating (FY2021) | | | | Rating History for the Past 3 Years | | |
|---|---|---|---|---|---|---|---|---|
| | | Type | Amount Rated | Amount Outstanding | Rating | FY2020 | FY2019 | FY2018 |
| | | | | | 20-August- 2020 | 23-May -2019 | - | 17-Nov-2017 |
| 1 | Cash Credit | Long Term | 41.00 | - | [ICRA]D ISSUER NOT COOPERATING | [ICRA]D ISSUER NOT COOPERATING | - | [ICRA]D ISSUER NOT COOPERATING |
| 2 | Bank Guarantee | Short term | 6.00 | - | [ICRA]D ISSUER NOT COOPERATING | [ICRA]D ISSUER NOT COOPERATING | - | [ICRA]D ISSUER NOT COOPERATING |

**All figures in Rs. Crore**

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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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