

Mr. Ashutosh Agarwal
Executive Director – Group Finance
Electrosteel Castings Limited
G. K Tower,
19 Camac Street,
Kolkata 700 017

January 24, 2019

Kind Attn: Mr. Ashutosh Agarwal, Executive Director – Group Finance

Dear Sir,

Re: Rating Letter for Electrosteel Castings Limited

India Ratings and Research (Ind-Ra) has assigned Electrosteel Castings Limited (ECL) a Long-Term Issuer Rating of 'IND A-'. The Outlook is Stable. The instrument-wise rating actions are as follows:

| Instrument Type | Size of Issue (billion) | Rating/Outlook | Rating Action |
|---|-------------------------|---|---------------|
| Long-term loan | INR9.53 | IND A-/Stable | Assigned |
| Fund-based working capital limits | INR5.05 | IND A-/Stable/IND A2+ | Assigned |
| Non-fund-based working capital limits | INR6.56 | IND A2+ | Assigned |
| Proposed fund-based working capital limits* | INR0.35 | Provisional IND A-/Stable/ Provisional IND A2+ | Assigned |
| Proposed non-fund-based working capital limits* | INR2.16 | Provisional IND A2+ | Assigned |

* The ratings are provisional and shall be confirmed upon the sanction and execution of the loan documents for the above facilities by ECL to the satisfaction of Ind-Ra.

Details of bank facilities are mentioned in the Annexure

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.



India Ratings & Research Private Limited A Fitch Group Company

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It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

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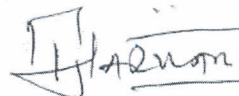
We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact the undersigned at 022 - 4000 1700.

Sincerely,

India Ratings



Rakesh Valecha
Senior Director



Prashant Tarwadi
Director

Annexure: Details of Bank Facilities Rated

Long-Term Loans/Facilities

| Loan | Rating | Outstanding (INRm) |
|-----------------------------------|---------------|--------------------|
| State Bank of India | IND A-/Stable | 1820.0 |
| Export Import Bank of India | IND A-/Stable | 291.7 |
| Yes Bank | IND A-/Stable | 75.0 |
| IndusInd Bank | IND A-/Stable | 3064.0 |
| Axis Bank (USD 61.35m @ INR69.77) | IND A-/Stable | 4280.6 |
| Total | | 9,531.3 |

Source: ECL

Working Capital Facilities

| Line | Rating | Sanction (INRm) |
|---|---|-----------------|
| Fund-based limits (cash credit limits) | | |
| State Bank of India | IND A-/Stable/IND A2+ | 150.0 |
| Punjab National Bank | IND A-/Stable/IND A2+ | 1,100.0 |
| ICICI Bank | IND A-/Stable/IND A2+ | 150.0 |
| HDFC Bank Limited | IND A-/Stable/IND A2+ | 500.0 |
| Indusind Bank | IND A-/Stable/IND A2+ | 250.0 |
| Bank Of India | IND A-/Stable/IND A2+ | 500.0 |
| IDBI Bank | IND A-/Stable/IND A2+ | 1,150.0 |
| Standard Chartered Bank | IND A-/Stable/IND A2+ | 750.0 |
| DBS | IND A-/Stable/IND A2+ | 500.0 |
| Proposed | Provisional IND A-/Stable/ Provisional IND A2+ | 350.0 |
| Total fund-based Limits | | 5,400.0 |

Source: ECL

Working Capital Facilities

| Line | Rating | Sanction (INRm) |
|------------------------------------|---------------------|-----------------|
| Non Fund-based limits | | |
| State Bank of India | IND A2+ | 550.0 |
| Punjab National Bank | IND A2+ | 1300.0 |
| ICICI Bank | IND A2+ | 2337.0 |
| Kotak Mahindra Bank | IND A2+ | 75.0 |
| Bank Of India | IND A2+ | 500.0 |
| IDBI Bank | IND A2+ | 1100.0 |
| Standard Chartered Bank | IND A2+ | 500.0 |
| Axis Bank | IND A2+ | 200.0 |
| Proposed | Provisional IND A2+ | 2157.0 |
| Total non fund-based Limits | | 8719.0 |

Source: ECL

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