

Rane Brake Lining Limited



Online submission

RBL / SE / 41 / 2018-19

January 07, 2019

BSE Limited Listing Centre Scrip Code: 532987	National Stock Exchange of India Ltd. NEAPS Symbol: RBL
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Dear Sir / Madam,

Sub.: Disclosure under regulation 30 of SEBI LODR – Credit Rating

In terms of regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) this to inform that, with regard to the Company's rated instruments, ICRA Limited has:

- Reaffirmed - for the Rs. 165.32 crores line of credit – long term rating at [ICRA] AA- (pronounced as ICRA double A Minus). The outlook on long term rating is 'Stable' (Annexure – 1);
- re-affirmed – short term rating bank facilities and the commercial paper programme of the company at [ICRA] A1+ (pronounced as ICRA A one plus) (Annexure – 1); and
- re-affirmed for the Rs.30 crores commercial paper programme – the credit rating [ICRA]A1+ (pronounced as ICRA A One plus) (Annexure – 2).

We enclose herewith the relevant credit rating letter(s) dated January 07, 2019 received by the Company today. Kindly note that the rating rationale will also be available on the ICRA website. We request you to treat this intimation as compliance with the disclosure requirements under the relevant provisions of SEBI LODR.

Thanking you.

Yours faithfully,

For **Rane Brake Lining Limited**


Venkatraman
Secretary



Encl.: as above



ICRA

ICRA Limited

Jan 07, 2019

Mr. M.A. P. Sridhar Kumar
Chief Financial Officer and Vice President – Finance
M/s. Rane Brake Lining Limited
Plot No: 30, Industrial Estate
Ambattur
Chennai – 600 058

Dear Sir,

Re: Surveillance of ICRA-assigned Credit Rating for Rs. 165.32 crore bank lines of Rane Brake Lining Limited (instrument details in *Annexure*)

Please refer the Rating Agreement between ICRA Limited ("ICRA") and your company, whereby, ICRA is required to review the ratings assigned to your company on an annual basis or as and when the circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration, has reaffirmed the long-term rating for the captioned Line of Credit (LOC) at [ICRA]AA- (pronounced ICRA double A minus).[†] The outlook on the long-term rating is stable. The Rating Committee of ICRA has also reaffirmed the short-term rating for the captioned LOC at [ICRA]A1+ (pronounced ICRA A one plus).

The aforesaid ratings will be due for surveillance anytime before January 03, 2020.

The ratings as stated above are specific to the terms and conditions of the LOC as indicated to us by you. In case there is any change in the terms and conditions, or the size of the rated LOC, the same must be brought to our notice immediately. Any such change would warrant a rating review, following which there could be a change in the ratings assigned. Notwithstanding the foregoing, any change in the over-all limit of the LOC from that specified in the first paragraph of this letter would constitute an enhancement that would not be covered by or under the said Rating Agreement.

ICRA reserves the right to review and/or, revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

You are requested to furnish a monthly 'No Default Statement (NDS)' (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme [interest and principal obligations for fund based as well as obligations under LOC/BG for non-fund based facility]. This is in accordance with requirements prescribed in circular dated June 30, 2017 on 'Monitoring and Review of Ratings by Credit Rating Agencies (CRAs)' issued by the Securities and Exchange Board of India.

[†] For complete rating definition please refer to ICRA Website www.icra.in or any of the ICRA Rating Publications



ICRA

You are also requested to inform us forthwith of any default or delay in the payment of interest and/or principal against the rated debt programme, or any other debt instruments and/or borrowings of your company. Further, you are requested to keep us informed of any other developments that could have a direct or indirect impact on the debt servicing capability of your company, with such developments including, but not limited to, any proposal for re-schedulement or postponement of repayment against any dues and/or debts of your company with any lender(s) and/or investor(s).

We thank you for your kind co-operation extended during the course of the rating exercise. Please let us know if you need any clarification.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours sincerely,
for ICRA Limited


(Pavethra Ponniah)
Vice President
pavethrap@icraindia.com


(Vinutaa S)
Assistant Vice President
vinutaa.s@icraindia.com

Encl:



ICRA

'No Default Statement on the Company Letter Head'

To

<CRA Name and Address>

Dear Sir/ Madam,

1. We hereby Confirm that as on date there are no Over dues or default on our debt obligations
2. We also confirm that in the month ended <Month and Year name>, there has been no instance of delay in servicing of our debt obligations.
3. We also confirm that there has not been any instance of devolvement of Letter of Credit in the month ended <Month and Year name>.
4. We also confirm that in the month ended <Month and Year name>, there has been no instance of delay in servicing of debt obligations guaranteed by us.
5. We also confirm that there has been no overdraw of the drawing power sanctioned by the bank for a period of more than 30 consecutive days in case of bank facilities which do not have scheduled maturity/repayment dates.
6. Details of delay/ default/ rescheduling of interest or principal as on date/ in the month ended<Month and Year name> , in any of the above case (if any):

Name of the Instrument	ISIN	Amount to be paid	Due Date of Payment	Actual Date of Payment	Remarks

Thanking You,

Yours faithfully,

<Authorized Signatory of Issuer>

Details of bank limits rated by ICRA (rated on long term scale)	Amount (Rs. Crore)	Assigned on
Fund based facilities		Jan 04, 2019
YES Bank Limited - Cash credit	10.00	
State Bank of India - Cash credit	3.00	
HDFC Bank Limited - Cash credit (Refer Note 1)	10.00	
Standard Chartered Bank - Cash credit	7.50	
Proposed facilities	112.82	

Note 1: Can be utilized as working capital demand loan or export credit also, so that the aggregate usage does not exceed Rs.10.00 crore. In case it is used as working capital demand loan or export credit, the short term rating shall apply accordingly.




Details of bank limits rated by ICRA (rated on short term scale)	Amount (Rs. Crore)	Assigned on
<i>Fund based facilities</i>		
YES Bank Limited - WCDL - sub limit of CC	(10.00)	
YES Bank Limited - PCFC / PSFC / EPC / FBD - sub limit of CC	(10.00)	
YES Bank Limited - Purchase invoice discounting- sub limit of CC	(10.00)	
YES Bank Limited - Sales invoice discounting- sub limit of CC	(10.00)	
HDFC Bank Limited - Short term loan / Buyer's credit	10.00	
HDFC Bank Limited - Buyer's credit - sub limit of CC	(7.00)	
Standard Chartered Bank - Buyer's credit - sub limit of letter of credit	(7.50)	
Standard Chartered Bank - Overdraft / WCDL - sub limit of LC	(7.50)	
Standard Chartered Bank - Buyer's credit- sub limit of term loan (Refer Note 3)	(USD 1.5 million)	
		Jan 04, 2019
<i>Non fund based facilities</i>		
YES Bank Limited - Letter of credit (Usance) - sub limit of CC	(10.00)	
YES Bank Limited - Letter of credit (sight) - sub limit of CC	(10.00)	
YES Bank Limited - LUT to buyer's credit- sub limit of CC	(10.00)	
State Bank of India - LC (Refer Note 2)	1.00	
State Bank of India - BG (Refer Note 2)	1.00	
HDFC Bank Limited - Letter of credit / Buyer's credit	10.00	
HDFC Bank Limited - Bank guarantee - sub limit	(5.00)	
Standard Chartered Bank - Letter of credit	(7.50)	
Standard Chartered Bank - Letter of credit - sub limit of term loan (Refer Note 3)	(USD 1.5 million)	

Note 2: Fully interchangeable

Note 3: Although the facility is denominated in foreign currency, ICRA's rating for the same is on the national scale as distinct from an international rating scale

Signature

Signature

**CONFIDENTIAL**

Ref. No.Surv/Chen/219/18-19

January 07, 2019

Mr. M.A. P. Sridhar Kumar
Chief Financial Officer and Vice President – Finance
Rane Brake Lining Limited
Plot No: 30, Industrial Estate
Ambattur
Chennai – 600 058

Dear Sir,

Re: Surveillance of ICRA rating for Rs. 30.00 crore commercial paper programme of Brake Lining Limited

Please refer the Rating Agreement between ICRA Limited (“ICRA”) and your company, whereby, ICRA is required to review the rating assigned to your company on an annual basis or as and when circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration of the latest developments in your company, has reaffirmed the rating of [ICRA]A1+ (pronounced ICRA A One Plus) to your Rs.30.00 crore CP programme. Instruments with [ICRA]A1 rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk. Within this category, rating modifier {“+” (plus)} can be used with the rating symbols. The modifier reflects the comparative standing within the category.

In any of your publicity material or other document wherever you are using our above rating, it should be stated as [ICRA]A1+ (pronounced ICRA A One Plus).

Additionally, we wish to highlight the following with respect to the rating:

(a) This Rs.30.00 crore CP programme should be such that the total utilization should not exceed the sanctioned working capital facilities.

(b) If the instrument rated, as above, is not issued by you within a period of 3 months from the date of this letter, the rating would need to be revalidated before issuance.

(c) Subject to Clause (d) below, our rating is valid from the date of this letter till Jan 03, 2020 (“Validity Period”). The rating will generally be due for review at the end of the Validity Period. The maturity date of the CP shall not be after the end of the Validity Period. The CP will have a maximum maturity of twelve months.

(d) ICRA reserves the right to review and/or, revise the above rating at any time on the basis of new information or unavailability of information or such circumstances, which ICRA believes, may have an impact on the aforesaid rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the Commercial Paper issued by you. **The above rating of "[ICRA]A1+" is assigned to your Commercial Paper size of Rs. 30.00 crore and the maximum amount raised through Commercial Paper at any point in time, including any amount already outstanding, should not exceed Rs. 30.00 crore.** In case, you propose to enhance the size of the Commercial Paper, the same would be required to be rated afresh. ICRA does not assume any responsibility on its part, for any liability, that may arise consequent to your not complying with any eligibility criteria, applicable from time to time, for issuance of Commercial Paper.

You are requested to furnish a monthly 'No Default Statement (NDS)' (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme. This is in line with requirements as prescribed in circular dated June 30, 2017 on 'Monitoring and Review of Ratings by Credit Rating Agencies (CRAs)' issued by the Securities and Exchange Board of India..

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours sincerely,
for ICRA Limited



(Pavethra Ponniah)
Vice President
pavethrap@icraindia.com



(Vinutaa S)
Assistant Vice President
vinutaa.s@icraindia.com



ICRA

Encl:

'No Default Statement on the Company Letter Head'

To

ICRA Limited
5th Floor, Karumuttu Centre
634, Anna Salai, Nandanam
Chennai - 600 035

Dear Sir/ Madam,

1. We hereby Confirm that as on date there are no Over dues or default on our debt obligations
2. We also confirm that in the month ended <Month and Year name>, there has been no instance of delay in servicing of our debt obligations.
3. We also confirm that there has not been any instance of devolvement of Letter of Credit in the month ended <Month and Year name>.
4. We also confirm that in the month ended <Month and Year name>, there has been no instance of delay in servicing of debt obligations guaranteed by us.
5. We also confirm that there has been no overdraft of the drawing power sanctioned by the bank for a period of more than 30 consecutive days in case of bank facilities which do not have scheduled maturity/repayment dates.
6. Details of delay/ default/ rescheduling of interest or principal as on date/ in the month ended<Month and Year name> , in any of the above case (if any):

Name of the Instrument	ISIN	Amount to be paid	Due Date of Payment	Actual Date of Payment	Remarks

Thanking You,

Yours faithfully,

<Authorized Signatory of Issuer>