

## Eon Electric Limited

### January 12, 2021

#### Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings	Rating Action
Long Term Bank Facilities	-	-	Withdrawn
Short Term Bank Facilities	-	-	Withdrawn
<b>Total Bank Facilities</b>	<b>0.00</b> <b>(Rs. Only)</b>		

*Details of facilities in Annexure-1*

#### Detailed Rationale & Key Rating Drivers

CARE has withdrawn the outstanding rating of 'CARE D; Issuer Not Cooperating' [Single D; Issuer Not Cooperating] assigned to the bank facilities of **Eon Electric Limited** with immediate effect. The above action has been taken as the company is under the Corporate Insolvency Resolution Process (CIRP) as ordered by the Hon'ble National Company Law Tribunal (NCLT), Chandigarh bench vide CP (IB) no. 211/CHD/HRY/2019 pronounced on October 26, 2020, under the Insolvency & Bankruptcy Code. Therefore, it may no longer be useful or necessary for CARE to maintain a rating on the rated entity's debt obligations.

**Analytical approach:** Not Applicable

#### Applicable Criteria

[Policy on Withdrawal of ratings](#)

#### About the Company

EEL manufactures and markets energy-efficient lighting and other electrical and electronic products, such as LED lights, fans, water heaters, lithium ion batteries, mobile phone accessories, wires and cables, and allied products. The company has two plants at Haridwar, and a registered office at Sonapat, Haryana. It has been listed on the Bombay Stock Exchange (BSE) since 2005, and on National Stock Exchange (NSE) since 2012. Mr V P Mahendru is the promoter, and daily operations are managed by his sons, Mr Vivek Mahendru and Mr Vinay Mahendru.

#### Key Financial Indicators

Brief Financials (Rs. crore)	Rs. Cr	
	FY18 (A)	FY19 (A)
Total operating income	162.67	80.67
PBILDT	14.03	-16.40
PAT	0.44	-23.99
Overall gearing (times)	0.79	0.51
Interest coverage (times)	1.23	-1.59

A: Audited

**Status of non-cooperation with previous CRA:** CRISIL maintained its ratings assigned to the bank facilities of the company under Issuer Not Cooperating category vide its PR dated January 09, 2020.

**Any other information:** NA

**Rating History for last three years:** Please refer Annexure-2

#### Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	0.00	Withdrawn
Non-fund-based - LT/ ST-Bank Guarantees	-	-	-	0.00	Withdrawn
Non-fund-based - LT/ ST-Letter of credit	-	-	-	0.00	Withdrawn

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE D; ISSUER NOT COOPERATING* (15-Jan-20) 2)CARE C; Stable; ISSUER NOT COOPERATING* (21-Nov-19)	1)CARE B; ISSUER NOT COOPERATING* (16-Nov-18) 2)CARE BB; ISSUER NOT COOPERATING* (05-Jul-18)	1)CARE BB+; ISSUER NOT COOPERATING* (19-Feb-18)
2.	Non-fund-based - LT/ ST-Bank Guarantees	LT/ST	-	-	-	1)CARE D; ISSUER NOT COOPERATING* (15-Jan-20) 2)CARE C; Stable / CARE A4; ISSUER NOT COOPERATING* (21-Nov-19)	1)CARE B / CARE A4; ISSUER NOT COOPERATING* (16-Nov-18) 2)CARE BB / CARE A4; ISSUER NOT COOPERATING* (05-Jul-18)	1)CARE BB+ / CARE A4+; ISSUER NOT COOPERATING* (19-Feb-18)
3.	Non-fund-based - LT/ ST-Letter of credit	LT/ST	-	-	-	1)CARE D; ISSUER NOT COOPERATING* (15-Jan-20) 2)CARE C; Stable / CARE A4; ISSUER NOT COOPERATING* (21-Nov-19)	1)CARE B / CARE A4; ISSUER NOT COOPERATING* (16-Nov-18) 2)CARE BB / CARE A4; ISSUER NOT COOPERATING* (05-Jul-18)	1)CARE BB+ / CARE A4+; ISSUER NOT COOPERATING* (19-Feb-18)

**Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable****Annexure- 4: Complexity level of various instruments rated for this company**

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Cash Credit	Simple
2.	Non-fund-based - LT/ ST-Bank Guarantees	Simple
3.	Non-fund-based - LT/ ST-Letter of credit	Simple

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

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**About CARE Ratings:**

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