



## Press Release

### Servall Engineering Works Private Limited (SEWPL)

January 10, 2019

### Rating Update

<b>Total Bank Facilities Rated*</b>	Rs. 28.78 Cr. #
<b>Long Term Rating</b>	ACUITE D Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE D Issuer not co-operating*

#Refer Annexure for details

\*The issuer did not co-operate; based on best available information.

### Rating Rationale

Acuite has reaffirmed the ratings of 'Acuite D' (read as Acuite D) on the Rs. 28.78 crore bank facilities of Servall Engineering Works Private Limited (SEWPL). The rating is backed by the classification of assets of SEWPL as Non-Performing Asset (NPA) by the banks. However, this is an indicative rating as the issuer did not co-operate and is based on best available information.

#### Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>

Trading entities criteria

#### Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

#### About the Rated Entity:

Incorporated in 1989, SEWPL is a Coimbatore-based company that took over the engineering division assets of "Servall Engineering Industries Private Limited". The latter was incorporated in 1975 and was engaged in the manufacture and export of paper manufacturing machines.

The company reported profit after tax (PAT) of Rs.0.49 crore on net sales of Rs.30.83 crore in FY2015 as against PAT of Rs.0.52 crore on net sales of Rs.30.46 crore in FY2014.

#### Status of non-cooperation with previous CRA (if applicable)

None

#### Any other information-

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

### Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
11-Aug-2015	Cash Credit	Long Term	6.60	Acuite B/Stable (Assigned)
	Cash Credit	Long Term	4.40	Acuite B/Stable (Assigned)
	Term Loan	Long Term	3.04	Acuite B/Stable (Assigned)
	Letter of Credit	Short Term	2.00	Acuite A4 (Assigned)
	Letter of Credit	Short Term	1.50	Acuite A4 (Assigned)
	Bank Guarantee	Short Term	2.54	Acuite A4 (Assigned)
	Bank Guarantee	Short Term	8.70	Acuite A4 (Assigned)
08-Aug-2016	Cash Credit	Long Term	6.60	Acuite D (Downgraded)
	Cash Credit	Long Term	4.40	Acuite D (Downgraded)
	Term Loan	Long Term	3.04	Acuite D (Downgraded)
	Letter of Credit	Short Term	2.00	Acuite D (Downgraded)
	Letter of Credit	Short Term	1.50	Acuite D (Downgraded)
	Bank Guarantee	Short Term	2.54	Acuite D (Downgraded)
	Bank Guarantee	Short Term	8.70	Acuite D (Downgraded)
15-Jan-2018	Cash Credit	Long Term	6.60	Acuite D (Indicative)
	Cash Credit	Long Term	4.40	Acuite D (Indicative)
	Term Loan	Long Term	3.04	Acuite D (Indicative)

	Letter of Credit	Short Term	2.00	Acuite D (Indicative)
	Letter of Credit	Short Term	1.50	Acuite D (Indicative)
	Bank Guarantee	Short Term	2.54	Acuite D (Indicative)
	Bank Guarantee	Short Term	8.70	Acuite D (Indicative)

**\*Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.60	ACUITE D Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.40	ACUITE D Issuer not co-operating
Term Loan	Not Applicable	Not Applicable	Not Applicable	3.04	ACUITE D Issuer not co-operating
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE D Issuer not co-operating
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE D Issuer not co-operating
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	2.54	ACUITE D Issuer not co-operating
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	8.70	ACUITE D Issuer not co-operating

\*The issuer did not co-operate; based on best available information.

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**About Acuité Ratings & Research:**

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