

Press Release

Secan Invescast India Private Limited

June 15, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	0.50	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Bank Loan Ratings	8.25	ACUITE BB- Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	8.75	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE BB-**' (read as **ACUITE double B minus**) and the short term rating of '**ACUITE A4+**' (read as **ACUITE A Four Plus**) on the Rs. 8.75 crore bank facilities of Secan Invescast Private Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

Secan Invescast India Private Limited (SIPL), incorporated in 2005 by Mr. Velusamy, is a Coimbatore based company engaged in the manufacturing of stainless casting and value spares used in the cement, petroleum and paper industries. The company has also ventured into windpower generation.

For FY2014-15, SIPL reported Profit after Tax (PAT) of Rs. 1.42 crore on operating income of Rs.25.74 crore compared with PAT of Rs.1.21 crore on operating income of Rs.20.46 crore for FY2013-14. The net worth stood at Rs. 7.63 crore as on 31 March, 2015 as against Rs. 6.26 crore a year earlier.

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 the due date.

Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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 has 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 - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Rating Sensitivity

No information provided by the issuer / available for Acuite to comment upon.

Material Covenants

Not Applicable

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook

Not Applicable

Status of non-cooperation with previous CRA

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.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
17 Mar 2021	Bank Guarantee	Short Term	0.25	ACUITE A4+ (Issuer not co-operating*)
	Letter of Credit	Short Term	0.25	ACUITE A4+ (Issuer not co-operating*)
	Term Loan	Long Term	3.25	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	5.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
18 Dec 2019	Cash Credit	Long Term	5.00	ACUITE BB (Issuer not co-operating*)
	Letter of Credit	Short Term	0.25	ACUITE A4+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.25	ACUITE A4+ (Issuer not co-operating*)
	Term Loan	Long Term	3.25	ACUITE BB (Issuer not co-operating*)
22 Sep 2018	Term Loan	Long Term	3.25	ACUITE BB (Issuer not co-operating*)
	Cash Credit	Long Term	5.00	ACUITE BB (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.25	ACUITE A4+ (Issuer not co-operating*)

	Letter of Credit	Short Term	0.25	ACUITE A4+ (Issuer not co-operating*)
12 Jul 2017	Cash Credit	Long Term	5.00	ACUITE BB (Issuer not co-operating*)
	Term Loan	Long Term	3.25	ACUITE BB (Issuer not co-operating*)
	Letter of Credit	Short Term	0.25	ACUITE A4+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.25	ACUITE A4+ (Issuer not co-operating*)
17 Mar 2016	Cash Credit	Long Term	5.00	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	3.25	ACUITE BB Stable (Assigned)
	Bank Guarantee	Short Term	0.25	ACUITE A4+ (Assigned)
	Letter of Credit	Short Term	0.25	ACUITE A4+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.25	ACUITE A4+ Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB- Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	0.25	ACUITE A4+ Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	3.25	ACUITE BB- Reaffirmed Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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