

Press Release

Shakthi Tech Manufacturing India Private Limited (STMIPL)

September 28, 2017



Rating Update

Total Bank Facilities Rated	Rs.18.30 Cr #
Long Term Rating (Indicative)	SMERA BB Issuer not co-operating*
Short Term Rating (Indicative)	SMERA A4+ Issuer not co-operating*

Refer Annexure for details of instrument.

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

Rating Action

SMERA has reviewed the long-term rating of '**SMERA BB**' (read as **SMERA double B**) and the short-term rating of '**SMERA A4+**' (read as **SMERA A four plus**) on the Rs.18.30 crore bank facilities of Shakthi Tech Manufacturing India Private Limited (STMIPL). This is an indicative rating.

Non-cooperation by the issuer/borrower: SMERA 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 required documents before due date.

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

Applicable Criteria

- Manufacturing entities: <https://www.smera.in/criteria-manufacturing.htm>
- Default Recognition: <https://www.smera.in/criteria-default.htm>

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). SMERA endeavoured to gather information about the entity/industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information on which the indicative credit rating is based.

About the rated entity: STMIPL was incorporated in 2013 by Mr. M. Angou and Mrs. Usha Angou to take over the existing business of Shakthi Tech, a proprietorship concern established in 2006. The company is engaged in the manufacturing of machined casting and pump parts. STMIPL has three manufacturing units in Coimbatore.

The company reported profit after tax (PAT) of Rs.2.65 crore on net sales of Rs.42.01 crore in FY2016 as against PAT of Rs.1.26 crore on net sales of Rs.21.71 crore in FY2015.

Rating history for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
25-June-2016	Cash Credit	Long Term	INR 5.50	SMERA BB/Stable (Assigned)
	Term Loan	Long Term	INR 10.80	SMERA BB/Stable (Assigned)
	Packing Credit/Packing Credit in Foreign Currency	Short Term	INR 2.00	SMERA A4+ (Assigned)

Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash Credit	NA	NA	NA	5.50	SMERA BB Issuer not co-operating*
Term Loan	NA	NA	NA	10.80	SMERA BB Issuer not co-operating*
Packing Credit/Packing Credit in Foreign Currency	NA	NA	NA	2.00	SMERA A4+ Issuer not co-operating*

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

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ABOUT SMERA

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