

Press Release

Shakthi Tech Manufacturing India Private Limited (STMIPL)

May 12, 2020



Rating Update

Total Bank Facilities Rated*	Rs.45.30 Cr.#
Long Term Rating	ACUITE D Issuer not co-operating*
Short Term Rating	ACUITE D Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has revised the long-term rating of '**ACUITE D**' (**read as ACUITE D**) and the short the rating of '**ACUITE D**' (**read as ACUITE D**) on the Rs.45.30 Crore bank facilities of Shakthi Tech Manufacturing India Private Limited (STMIPL)). This rating is now an indicative rating and is based on best available information.

STMIPL was established as a proprietorship firm in 2006 and later in 2013, the constitution was changed into private limited company. The Directors are Mr. M. Angou and Mrs. Usha Angou. The company is engaged in manufacturing and exporting of machined casting and pump parts. The company currently has 4 units. The units are located in Coimbatore (Tamil Nadu). The company caters mainly to Indian railways, defense sector and exports to countries such as USA, Italy, Canada and UK.

Non-cooperation by the issuer/borrower: Acuité 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 Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.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). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité 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 attempts.

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

None

Any other information

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

Rating History (Up to last three years)

Date	Name of Instrument /	Term	Amount (Rs. Cr)	Ratings/Outlook

	Facilities			
25-February-2019	Cash Credit	Long Term	2.50	ACUITE D (Downgraded from ACUITE BB /Stable)
	Term Loan	Long Term	10.80	ACUITE D (Downgraded from ACUITE BB /Stable)
	Packing Credit	Short Term	2.00	ACUITE D (Downgraded from ACUITE A4+)
	Bills Discounting	Short Term	2.00	ACUITE D (Downgraded from ACUITE A4+)
	Term Loan	Long Term	2.20	ACUITE D (Downgraded from ACUITE BB /Stable)
	Term Loan	Long Term	22.50	ACUITE D (Downgraded from ACUITE BB /Stable)
	Bank Guarantee/Letter of Guarantee	Short Term	3.30	ACUITE D (Downgraded from ACUITE A4+)
28-February-2018	Cash Credit	Long Term	2.50	ACUITE BB/ Stable (Reaffirmed)
	Term Loan	Long Term	10.80	ACUITE BB/ Stable (Reaffirmed)
	Term Loan	Long Term	2.20	ACUITE BB/ Stable (Assigned)
	Packing Credit	Short Term	2.00	ACUITE A4+ (Reaffirmed)
	Bills Discounting	Short Term	2.00	ACUITE A4+ (Assigned)
	Letter of Credit	Short Term	22.50	ACUITE A4+ (Assigned)
	Bank Guarantee	Short Term	3.30	ACUITE A4+ (Assigned)
28-September-2017	Cash Credit	Long Term	5.50	ACUITE BB (Indicative)
	Term Loan	Long Term	10.80	ACUITE BB (Indicative)
	Packing Credit	Short Term	2.00	ACUITE A4+ (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	2.50	ACUITE D Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	10.80	ACUITE D Issuer not co-operating*
Packing Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE D Issuer not co-operating*
Bills Discounting	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE D Issuer not co-operating*

Term Loan	Not Applicable	Not Applicable	Not Applicable	2.20	ACUITE D Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	22.50*	ACUITE D Issuer not co-operating*
Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	3.30	ACUITE D Issuer not co-operating*

*Letter of Credit is sublimit of Term Loan to the extent of Rs. 20.82 crore

Contacts

Analytical	Rating Desk
Aditya Gupta Head- Corporate and Infrastructure Sector Tel: 022-49294041 aditya.gupta@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in
Aditya Singh Ratings Analyst - Rating Operations Tel: 011-49731303 aditya.singh@acuite.in	

About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 Mumbai.

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