

Press Release

Desai Electronics Private Limited

January 05, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 12.00 Cr.#
Long Term Rating	ACUITE BBB+ Issuer not co-operating*

#Refer Annexure for details

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

Acuité has reviewed the long-term rating of '**ACUITE BBB+**' (read as **ACUITE triple B plus**) on the Rs.12.00 crore bank facilities of Desai Electronics Private Limited (DEPL). This rating is now an indicative rating and is based on best available information.

The Pune-based, DEPL manufactures plain and metallised polyester and polypropylene capacitors that are UL certified and conform to the IEC 384. The manufacturing facility has an installed capacity of 200 million capacitors per annum. The company has been a market leader in the plastic film capacitors segment for over 12 years.

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-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios and Adjustments: <https://www.acuite.in/view-rating-criteria-20.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 endeavoured 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

	Unit	FY16 (Actual)	FY15 (Actual)	FY14 (Actual)
Operating Income	Rs. Cr.	62.11	61.00	55.38
EBITDA	Rs. Cr.	17.68	18.98	13.93
PAT	Rs. Cr.	8.21	7.21	6.94
EBITDA Margin	(%)	28.47	31.12	25.15
PAT Margin	(%)	13.22	11.81	12.54
ROCE	(%)	33.29	33.63	35.46
Total Debt/Tangible Net Worth	Times	0.12	0.27	0.45
PBDIT/Interest	Times	17.55	13.99	10.63

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
01-Nov-17	Cash Credit	Long term	12.00	ACUITE BBB+ Issuer not co-operating*
22-Aug-16	Cash Credit	Long term	12.00	ACUITE BBB+/Stable (Assigned)

*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	12.00	ACUITE BBB+ Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
<p>Aditya Gupta Head–Corporate and Infrastructure Sector Rating's Tel:022-67141111 aditya.gupta@acuите.in</p> <p>Priyal Jain Analyst - Rating Operations Tel: 022-49294065 priyal.jain@acuiterratings.in</p>	<p>Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuите.in</p>

About Acuite Ratings & Research:

Acuite 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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