



Press Release
Sakthi Accumulators Private Limited
December 17, 2024
Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	50.00	ACUITE B Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	50.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

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

Rating Rationale

Acuite has downgraded its long term rating to ‘**ACUITE B**’ (read as **ACUITE Bf**) from ‘**ACUITE B+**’ (read as **ACUITE B plus**) on the Rs. 50.00 crore bank facilities availed by Sakthi Accumulators Private Limited (SAPL). The rating is now flagged as “Issuer Not-Cooperating” and is based on the best information available. The downgrade is on account of information risk.

About the Company

Incorporated in 1992 at Anekal Taluk (Bangalore), ‘Sakthi Accumulators Private Limited (SAPL)’ was started by Mr. R. Kandasamy as a partnership firm for the manufacturing and marketing of lead batteries. Later in 2014, the company reconstituted itself as a private limited liability company. The management of SAPL has more than three decades of experience in the given line of business. The day-to-day operations of the company are managed by Mr. Shiv Kumar and Mr. Nagaraj Rajgopal, who are well supported by experienced and qualified professionals.

Unsupported Rating

Not Applicable

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 non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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

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.

Rating Sensitivities

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

Liquidity Position

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

Outlook: Not Applicable

Other Factors affecting Rating
None

Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	255.83	94.63
PAT	Rs. Cr.	7.79	0.92
PAT Margin	(%)	3.05	0.97
Total Debt/Tangible Net Worth	Times	1.35	3.55
PBDIT/Interest	Times	3.98	1.54

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
04 Oct 2023	Cash Credit	Long Term	11.00	ACUITE B+ Stable (Assigned)
	Covid Emergency Line.	Long Term	1.82	ACUITE B+ Stable (Upgraded from ACUITE B)
	Term Loan	Long Term	20.00	ACUITE B+ Stable (Upgraded from ACUITE B)
	Covid Emergency Line.	Long Term	2.71	ACUITE B+ Stable (Upgraded from ACUITE B)
	Proposed Long Term Bank Facility	Long Term	3.47	ACUITE B+ Stable (Upgraded from ACUITE B)
	Cash Credit	Long Term	11.00	ACUITE B+ Stable (Assigned)
09 Aug 2022	Letter of Credit	Short Term	2.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	6.00	ACUITE B (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	2.21	ACUITE B (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	13.79	ACUITE B (Reaffirmed & Issuer not co-operating*)
	Proposed Cash Credit	Long Term	4.00	ACUITE B (Reaffirmed & Issuer not co-operating*)
11 May 2021	Letter of Credit	Short Term	2.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	6.00	ACUITE B (Reaffirmed & Issuer not co-operating*)
	Proposed Cash Credit	Long Term	4.00	ACUITE B (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	13.79	ACUITE B (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	2.21	ACUITE B (Reaffirmed & Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.00	Simple	ACUITE B Downgraded Issuer not co-operating* (from ACUITE B+)
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.00	Simple	ACUITE B Downgraded Issuer not co-operating* (from ACUITE B+)
State Bank of India	Not avl. / Not appl.	Covid Emergency Line.	Not avl. / Not appl.	Not avl. / Not appl.	05 Dec 2028	1.82	Simple	ACUITE B Downgraded Issuer not co-operating* (from ACUITE B+)
State Bank of India	Not avl. / Not appl.	Covid Emergency Line.	Not avl. / Not appl.	Not avl. / Not appl.	05 Dec 2028	2.71	Simple	ACUITE B Downgraded Issuer not co-operating* (from ACUITE B+)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.47	Simple	ACUITE B Downgraded Issuer not co-operating* (from ACUITE B+)
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	28 Feb 2031	20.00	Simple	ACUITE B Downgraded Issuer not co-operating* (from ACUITE B+)

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

Contacts

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About Acuité Ratings & Research

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