

Press Release
Electronica Tungsten Limited

June 01, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 37.70 Cr.
Long Term Rating	ACUITE BBB- Issuer not co-operating*
Short Term Rating	ACUITE A3 Issuer not co-operating*

* Refer Annexure for details

Rating Rationale

Acuité has reviewed long-term rating of '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and '**SMERA A3**' (read as **SMERA A three**) to the Rs. 37.7 crore bank facilities of Electronica Tungsten Limited. This rating is now an indicative rating and is based on best available information.

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.

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.

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

About the rated entity: Electronica Tungsten Ltd (ETL) formerly known as Electronica Tough Carb Limited (Incorporated in 2007) is amalgamated with SRP Tungsten Private Limited. The appointment date approved by Mumbai High Court for the amalgamation scheme is April 01, 2015 and the effective date is September 26, 2016. ETL was incorporated in 1988 at Nasik, is a part of SRP Electronica Group, group was established in 1972 and have various companies under the group namely Electronica Finance, Electronica Hitech machine tools pvt ltd, Electronica hi-tech engineering Pvt Ltd, Electronica tough carb Ltd and SRP tungsten Pvt Ltd. ETL is engaged in the manufacture of tungsten carbide products for the metal cutting, metal forming and mining applications and is in the processing of tungsten carbide products from the powder stage.

For FY2015-16, ETL reported profit after tax (PAT) of Rs.2.02 crore on operating income of Rs.48.09 crore, as compared to PAT of Rs.0.88 crore on operating income of Rs.48.55 crore in the previous year.

Applicable Criteria

- Default Recognition-<https://www.acuite.in/view-rating-criteria-17.htm>
- Financial Ratios and Adjustments-<https://www.acuite.in/view-rating-criteria-20.htm>

Rating History (Upto last three years)

Date	Facilities	Amount (Rs. Crore)	Ratings		Rating Outlook
			Long Term	Short Term	
20 March, 2017	Cash Credit	10.00	ACUITE BBB-(Assigned)	-	Stable
	Cash Credit	0.70	ACUITE BBB-(Assigned)	-	Stable
	Term Loan	0.21	ACUITE BBB-(Assigned)	-	Stable
	Term Loan	0.91	ACUITE BBB-(Assigned)	-	Stable
	Term Loan	0.14	ACUITE BBB-(Assigned)	-	Stable
	Term Loan	1.89	ACUITE BBB-(Assigned)	-	Stable
	Term Loan	0.57	ACUITE BBB-(Assigned)	-	Stable
	Term Loan	0.30	ACUITE BBB-(Assigned)	-	Stable
	Term Loan	0.71	ACUITE BBB-(Assigned)	-	Stable
	Working capital demand loan (WCDL)	0.58	ACUITE BBB-(Assigned)	-	Stable
	Bank guarantee/Letter of Guarantee	0.19	ACUITE A3 (Reaffirmed)	-	-
	Proposed Long Term Loan	3.00	ACUITE BBB-(Assigned)	-	Stable
	Proposed Working Capital Demand Loan	2.50	ACUITE BBB-(Assigned)	-	Stable
	Letter of credit	5.00	ACUITE A3 (Reaffirmed)	-	-
	Proposed Bank Guarantee	5.00	ACUITE A3 (Reaffirmed)	-	-
	Proposed Letter of Credit	6.00	ACUITE A3 (Reaffirmed)	-	-

Annexures – 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	10.00	ACUITE BBB- Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	0.70	ACUITE BBB- Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.21	ACUITE BBB- Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.91	ACUITE BBB- Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.14	ACUITE BBB- Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.89	ACUITE BBB- Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.57	ACUITE BBB- Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.30	ACUITE BBB- Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.71	ACUITE BBB- Issuer not co-operating*
Working capital demand loan (WCDL)	Not Applicable	Not Applicable	Not Applicable	0.58	ACUITE BBB- Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.19	ACUITE A3 Issuer not co-operating*
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE BBB- Issuer not co-operating*
Proposed Working Capital Demand Loan	Not Applicable	Not Applicable	Not Applicable	2.50	ACUITE BBB- Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A3 Issuer not co-operating*
Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A3 Issuer not co-operating*
Proposed Letter of Credit	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE A3 Issuer not co-operating*

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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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