

Press Release

Electronica Tungsten Limited

January 17, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 37.70 Cr. #
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Short Term Rating	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*

Refer Annexure for details

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

Acuite has downgraded the long term rating of Electronica Tungsten Limited (ETL) to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**). The short term rating has been downgraded to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3**' (**ACUITE A three**). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Electronica Tungsten Limited (ETL), formerly known as Electronica Tough Carb Limited (Incorporated in 2007), has been amalgamated with SRP Tungsten Private Limited. The appointment date approved by Mumbai High Court for the amalgamation scheme was April 01, 2015 and the effective date was September 26, 2016. ETL was incorporated in 1988 at Nashik as a part of SRP Electronica Group. The group was established in 1972 and have various companies under the group namely Electronica Finance, Electronica Hitech Machine Tools Private Limited, Electronica Hi-tech Engineering Private Limited, Electronica Tough Carb Limited and SRP tungsten Private Limited. ETL is engaged in the manufacturing of tungsten carbide products for metal cutting, metal forming and mining applications and is into processing of tungsten carbide products from the powder stage.

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 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.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.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). Acuite endeavored 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.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

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

Not Applicable

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
22-Aug-2019	Cash Credit	Long Term	10.00	ACUITE BBB- (Indicative)
	Cash Credit	Long Term	0.70	ACUITE BBB- (Indicative)
	Term Loan	Long Term	0.21	ACUITE BBB- (Indicative)
	Term Loan	Long Term	0.91	ACUITE BBB- (Indicative)
	Term Loan	Long Term	0.14	ACUITE BBB- (Indicative)
	Term Loan	Long Term	1.89	ACUITE BBB- (Indicative)
	Term Loan	Long Term	0.57	ACUITE BBB- (Indicative)
	Term Loan	Long Term	0.30	ACUITE BBB- (Indicative)
	Term Loan	Long Term	0.71	ACUITE BBB- (Indicative)
	Working Capital Demand Loan	Long Term	0.58	ACUITE BBB- (Indicative)
	Bank Guarantee	Short Term	0.19	ACUITE A3 (Indicative)
	Proposed Long Term Loan	Long Term	3.00	ACUITE BBB- (Indicative)
	Proposed Working Capital Demand Loan	Long Term	2.50	ACUITE BBB- (Indicative)
	Letter of Credit	Short Term	5.00	ACUITE A3 (Indicative)
	Proposed Bank Guarantee	Short Term	5.00	ACUITE A3 (Indicative)
	Proposed Letter of Credit	Short Term	6.00	ACUITE A3 (Indicative)
01-June-2018	Cash Credit	Long Term	10.00	ACUITE BBB- (Indicative)
	Cash Credit	Long Term	0.70	ACUITE BBB- (Indicative)
	Term Loan	Long Term	0.21	ACUITE BBB- (Indicative)
	Term Loan	Long Term	0.91	ACUITE BBB- (Indicative)
	Term Loan	Long Term	0.14	ACUITE BBB- (Indicative)
	Term Loan	Long Term	1.89	ACUITE BBB- (Indicative)
	Term Loan	Long Term	0.57	ACUITE BBB- (Indicative)
	Term Loan	Long Term	0.30	ACUITE BBB- (Indicative)
	Term Loan	Long Term	0.71	ACUITE BBB- (Indicative)
	Working Capital Demand Loan	Long Term	0.58	ACUITE BBB- (Indicative)
	Bank Guarantee	Short Term	0.19	ACUITE A3 (Indicative)

	Proposed Long Term Loan	Long Term	3.00	ACUITE BBB-(Indicative)
	Proposed Working Capital Demand Loan	Long Term	2.50	ACUITE BBB-(Indicative)
	Letter of Credit	Short Term	5.00	ACUITE A3 (Indicative)
	Proposed Bank Guarantee	Short Term	5.00	ACUITE A3 (Indicative)
	Proposed Letter of Credit	Short Term	6.00	ACUITE A3 (Indicative)
20-Mar-2017	Cash Credit	Long Term	10.00	ACUITE BBB-/ Stable (Assigned)
	Cash Credit	Long Term	0.70	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	0.21	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	0.91	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	0.14	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	1.89	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	0.57	ACUITE BBB-/ Stable (Assigned)
	Working Capital Demand Loan	Long Term	0.58	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	0.30	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	0.71	ACUITE BBB-/ Stable (Assigned)
	Bank Guarantee	Short Term	0.19	ACUITE A3 (Assigned)
	Proposed Long Term Loan	Long Term	3.00	ACUITE BBB-/ Stable (Assigned)
	Proposed Working Capital Demand Loan	Long Term	2.50	ACUITE BBB-/ Stable (Assigned)
	Letter of Credit	Short Term	5.00	ACUITE A3 (Assigned)
	Proposed Bank Guarantee	Short Term	5.00	ACUITE A3 (Assigned)
	Proposed Letter of Credit	Short Term	6.00	ACUITE A3 (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	0.70	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.21	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.91	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.14	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.89	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.57	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.30	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.71	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Working Capital Demand Loan	Not Applicable	Not Applicable	Not Applicable	0.58	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.19	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Proposed Working Capital Demand Loan	Not Applicable	Not Applicable	Not Applicable	2.50	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
Proposed Letter of Credit	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*

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

Contacts

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About Acuité Ratings & Research:

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