

Press Release

Siwan Tractors Private Limited

February 25, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	25.00	ACUITE BB- Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	25.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Refer Annexure for details

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

Rating Rationale

Acuité has downgraded the long term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) on the Rs.25.00 crore bank facilities of Siwan Tractors Private Limited (STPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Bihar-based, STPL, was set up as a proprietorship concern in 1982, and later reconstituted as a private limited company in 2005. It is an authorized dealer of passenger and light commercial vehicles of Mahindra & Mahindra Limited, and a distributor and dealer of tractors of Escorts Limited in Siwan and Gopalganj (both in Bihar). The directors of the company are Mr. Masood Alam, Mr. Badrun Nisha, Mr. Masroor Alam, Mr. Ali Asghar and Mr. Saghir Alam.

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 the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an 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 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.

About the Rated Entity - Key Financials

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

Rating Sensitivity

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

Material Covenants

Not Applicable

Liquidity Indicators

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

Outlook

Not Applicable

Status of non-cooperation with previous CRA

Not Applicable

Any other information

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

Applicable Criteria

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
27 Nov 2020	Cash Credit	Long Term	15.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Standby Line of Credit	Long Term	2.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	5.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Working Capital Demand Loan	Long Term	3.00	ACUITE BB (Downgraded and Issuer not co-operating*)
13 Sep 2019	Working Capital Demand Loan	Long Term	3.00	ACUITE BB+ (Issuer not co-operating*)
	Standby Line of Credit	Long Term	2.00	ACUITE BB+ (Issuer not co-operating*)
	Cash Credit	Long Term	15.00	ACUITE BB+ (Issuer not co-operating*)
	Cash Credit	Long Term	5.00	ACUITE BB+ (Issuer not co-operating*)
26 Jun 2018	Cash Credit	Long Term	15.00	ACUITE BB+ (Issuer not co-operating*)
	Cash Credit	Long Term	5.00	ACUITE BB+ (Issuer not co-operating*)
	Working Capital Demand Loan	Long Term	3.00	ACUITE BB+ (Issuer not co-operating*)
	Standby Line of Credit	Long Term	2.00	ACUITE BB+ (Issuer not co-operating*)
15 May 2017	Cash Credit	Long Term	15.00	ACUITE BB+ Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BB+ Stable (Reaffirmed)
	Working Capital Demand Loan	Long Term	3.00	ACUITE BB+ Stable (Assigned)
	Standby Line of Credit	Long Term	2.00	ACUITE BB+ Stable (Assigned)
11 Jun 2016	Cash Credit	Long Term	15.00	ACUITE BB+ Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BB+ Stable (Reaffirmed)
17 Mar 2015	Cash Credit	Long Term	15.00	ACUITE BB+ Stable (Assigned)
	Cash Credit	Long Term	5.00	ACUITE BB+ Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE BB- Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB- Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Stand By Line of Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BB- Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Working Capital Demand Loan (WC DL)	Not available	Not available	Not available	3.00	ACUITE BB- Downgraded Issuer not co-operating*

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About Acuité Ratings & Research

Acuité Ratings & Research 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 8,850 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 Kanjurmarg, Mumbai.

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