

Press Release

Surendra Electricals Private Limited

July 25, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 22.00 Cr.#
Long Term Rating	ACUITE B+ Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has reviewed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and short term rating of **ACUITE A4** (read as **ACUITE A four**) on the Rs.22.00 crore bank facilities of Surendra Electricals Private Limited (SEPL). 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.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.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:

Surendra Electricals Private Limited (SEPL) was incorporated in 2005 as a private limited company. The company is managed and promoted by Mr. Jawahar Lal Zutshi, Mr. Amit Gadia, Mr. Varun Kr. Gadia and Mrs. Richa Gadia. Initially the company started with the manufacturing of low tension electric control panels and bus ducts. Later in the year 2010, the company started the installation of the same. Further, in the year 2013, the company is engaged in the laying of transmission and setting up substations through bidding tenders in the state of Rajasthan.

For FY2016, the company reported profit after tax (PAT) of Rs.0.10 crore on operating income of Rs.14.75 crore, as compared with PAT of Rs.0.31 crore on operating income of Rs.16.22 crore in FY2015. The net worth stood at Rs.3.02 crore as on March 31, 2016 against Rs.2.02 crore a year earlier. The net worth of Rs.3.02 crore in FY2016 includes quasi-equity of 1.19 crore.

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

None

Any other information

Acuité 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
13-May-17	Cash Credit	Long Term	3.00	ACUITE B+/Stable (Assigned)
	Bank Guarantee	Short Term	4.00	ACUITE A4 (Assigned)
	Inland Letter of Credit	Short Term	2.00	ACUITE A4 (Assigned)
	Proposed Bank Facility	Long Term	13.00	ACUITE B+/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	3.00	ACUITE B+ Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE A4 Issuer not co-operating*
Inland Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4 Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	13.00	ACUITE B+ Issuer not co-operating*

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

Contacts

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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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