

Press Release

Sri Balaji Assemblies and Plastics Private Limited

December 18, 2019

Rating Update



Total Bank Facilities Rated#	Rs.39.00 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.

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and the short-term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3**' (read as **ACUITE A three**) on the Rs.39.00 crore bank facilities of Sri Balaji Assemblies and Plastics Private Limited (SBAPPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Established in 1988 as a proprietorship firm Sri Balaji Assemblies And Plastics Private Limited was later reconstituted in 2003 as a private limited company. The company is primarily catering to the auto electrical industry and is engaged in assembling of automotive wiring harness, cover and brush plate, ignition coils. In addition the company is also manufacturing electrical panels and pumps for power sub stations and agricultural industry. The company was promoted by Mr. D. Sridhar and currently the business is headed by the four brothers namely Mr. D. Sridhar, Mr. L. Narasimhan, Mr. D. Parthasarathy and Mr. D. Sundarajan.

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-17.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 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.

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)

None

Any other information

Acuite 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
11-Jul-19	Cash Credit	Long Term	26.00	ACUITE BBB- (Indicative)
	Term Loan	Long Term	3.02	ACUITE BBB- (Indicative)
	Term Loan	Long Term	1.78	ACUITE BBB- (Indicative)
	Term Loan	Long Term	2.25	ACUITE BBB- (Indicative)
	Standby Line by Credit	Short Term	3.00	ACUITE A3 (Indicative)
	Proposed Bank Facility	Long Term	0.95	ACUITE BBB- (Indicative)
	Letter of Credit	Short Term	1.00	ACUITE A3 (Indicative)
	Bank Guarantee	Short Term	1.00	ACUITE A3 (Indicative)
02-May-18	Cash Credit	Long Term	26.00	ACUITE BBB- /Stable (Reaffirmed)
	Term Loan	Long Term	3.02	ACUITE BBB- /Stable (Reaffirmed)
	Term Loan	Long Term	1.78	ACUITE BBB- /Stable (Reaffirmed)
	Term Loan	Long Term	2.25	ACUITE BBB- /Stable (Assigned)
	Standby Line by Credit	Short Term	3.00	ACUITE A3 (Reaffirmed)
	Proposed Long Term Loan	Long Term	0.95	ACUITE BBB- /Stable (Reaffirmed)
	Bank Guarantee	Short Term	1.00	ACUITE A3 (Reaffirmed)
	Letter of Credit	Short Term	1.00	ACUITE A3 (Reaffirmed)
28-Jun-17	Cash Credit	Long Term	23.00	ACUITE BBB- /Stable (Assigned)
	Term Loan	Long Term	3.37	ACUITE BBB- /Stable (Assigned)
	Term Loan	Long Term	1.88	ACUITE BBB- /Stable (Assigned)
	Standby Line by Credit	Short Term	2.00	ACUITE A3 (Assigned)
	Proposed Long Term Loan	Long Term	0.25	ACUITE BBB- /Stable (Assigned)
	Letter of Credit	Short Term	1.00	ACUITE A3 (Assigned)
	Bank Guarantee	Short Term	1.00	ACUITE A3 (Assigned)

Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	26.00	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	3.02	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.78	ACUITE BB+ (Downgraded from ACUITE A3) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	2.25	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Standby Line of Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.95	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Head- Corporate and Infrastructure Sector Tel: 022-49294041 aditya.gupta@acuite.in Simranjeet Kaur Rating Analyst Tel: 022-49294052 simranjeet.kaur@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-49294022 rating.desk@acuite.in

About Acuité Ratings & Research:

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