

Press Release

Suprabha Industries Limited

September 26, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	0.60	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank Loan Ratings	18.72	ACUITE BB- Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	19.32	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long term rating of 'ACUITE BB-' (read as ACUITE double B minus) and short term rating of 'ACUITE A4' (read as ACUITE A four) on the Rs.19.32 crore bank facilities of Suprabha Industries Limited (SIL). The rating is now flagged as "Issuer Not-Cooperating" based on account of information risk.

The team had been following up continuously with the client for the revised balance sheet, but haven't received it yet. The team has received satisfactory feedback from the bankers.

About the Company

Incorporated in 1986, Suprabha Industries Limited (SIL) is Lucknow based company engaged in manufacturing of automobile parts mainly for commercial vehicles for Tata Motors Limited's plant in Lucknow. Tata Motors accounts about 60 percent of their revenue. Apart from Tata Motors, they cater to customers including Omax Auto Limited and Claas India Private Limited. The company is promoted by Mr. Devendra Kumar Mantri, Mrs. Tanuja Mantri and Mr. Shashankdhar Mantri. The manufacturing unit is situated in Lucknow spread over 5 acres of land. Present directors are Mr. Devendra Kumar Mantri, Ms. Tanuja Mantri, Mr. Shashankdhar Mantri, Mr. Bal Kishan Toshniwal and Mr. Pradip Kumar Saraogi.

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 the due date. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with 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 Acuite'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). Acuite 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.

Rating Sensitivities

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

Material Covenants

None.

Liquidity Position

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

Outlook

Not Applicable.

Other Factors affecting Rating

None

Key Financials:

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

Status of non-cooperation with previous CRA

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

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
07 Jul 2021	Bank Guarantee	Short Term	0.60	ACUITE A4 (Reaffirmed)
	Term Loan	Long Term	14.47	ACUITE BB- Stable (Reaffirmed)
	Cash Credit	Long Term	4.25	ACUITE BB- Stable (Reaffirmed)
28 Jan 2021	Bank Guarantee	Short Term	0.60	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	4.97	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	4.25	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	8.50	ACUITE BB- (Downgraded and Issuer not co-operating*)

	Proposed Bank Facility	Short Term	1.00	ACUITE A4 (Downgraded and Issuer not co-operating*)
30 May 2019	Bank Guarantee	Short Term	0.60	ACUITE A4+ (Assigned)
	Proposed Bank Facility	Long Term	4.97	ACUITE BB Stable (Reaffirmed)
	Proposed Bank Facility	Short Term	1.00	ACUITE A4+ (Assigned)
	Term Loan	Long Term	8.50	ACUITE BB Stable (Reaffirmed)
	Cash Credit	Long Term	4.25	ACUITE BB Stable (Reaffirmed)
31 Jul 2018	Cash Credit	Long Term	4.25	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	8.50	ACUITE BB Stable (Assigned)
	Proposed Bank Facility	Long Term	0.57	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
Small Industries Development Bank of India	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.60	ACUITE A4 Reaffirmed Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.25	ACUITE BB- Reaffirmed Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	14.47	ACUITE BB- Reaffirmed Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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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