

Press Release

Stambh Power System Private Limited

December 28, 2020



Rating Update

Total Bank Facilities Rated*	Rs.29.00 Cr.#
Long Term Rating	ACUITE BBB- Issuer not co-operating*
Short Term Rating	ACUITE A3 Issuer not co-operating*

#Refer Annexure for details

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

Acuité has reviewed the long term rating of '**ACUITE BBB-**' (**read as ACUITE triple B minus**) and the short term rating of '**ACUITE A3**' (**read as ACUITE A three**) on the Rs.29.00 Crore bank facilities of Stambh Power System Private Limited. This rating is now an indicative rating and is based on the best available information.

Incorporated in 2000, Lucknow-based, Stambh Power System Private Limited (SPSPL) was initially engaged in manufacturing of power electronics and electrical control equipment such as stabilizers, inverters, UPS, isolation transforms, among others. From 2012, the company started undertaking turnkey EPC contracts such as EPC of Infrastructure Electrification, Substation, EPC of Rural Electrification and Urban Electrification, EPC of Underground Cabling, among others. The company is promoted by Mr. Rajesh Khanna and Mr. Sanjay Kumar. The company caters to both government and private companies; however, it derives around 65 per cent of revenue from government projects.

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.

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-52.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-51.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.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 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 attempts.

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

Not applicable

Any other information

Acuité has received the no default statement from the client for the month of November.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
04-October-2019	Proposed Cash Credit	Long Term	7.50	ACUITE BBB-/Stable (Reaffirmed)
	Proposed Bank Guarantee	Short Term	21.50	ACUITE A3 (Reaffirmed)
16-July-2018	Proposed Cash Credit	Long Term	7.50	ACUITE BBB-/Stable (Assigned)
	Proposed Bank Guarantee	Short Term	21.50	ACUITE A3 (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Name of the Bank	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	Not Applicable	7.50	ACUITE BBB- Issuer not co-operating*
Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	Not Applicable	21.50	ACUITE A3 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 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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