

## Press Release

### Swastik Copper Private Limited

May 28, 2020



#### Rating Update

|                                     |  |
|-------------------------------------|--|
| <b>Total Bank Facilities Rated*</b> | Rs.62.50 Cr. #   |
| <b>Long Term Rating</b>             | ACUITE D<br>(Downgraded from ACUITE BB/Stable)<br>Issuer not co-operating* |
| <b>Short Term Rating</b>            | ACUITE D<br>(Downgraded from ACUITE A4+)<br>Issuer not co-operating*       |

#Refer Annexure for details

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

#### Rating Rationale

Acuité has downgraded its long-term rating to '**ACUITE D**' (**read as ACUITE D**) from '**ACUITE BB**' (**read as ACUITE double B**) and its short-term rating to '**ACUITE D**' (**read as ACUITE D**) from '**ACUITE A4+**' (**read as ACUITE A four plus**) of SWASTIK COPPER PRIVATE LIMITED. This rating is now an indicative rating and is downgraded on account of delay in servicing debt.

Swastik Copper Private Limited (SCPL) was established in 1993 by Mr. Sandeep Jain who was supported by his father, Late Shri Shashi Kumar Jain. SCPL is engaged in manufacturing and distribution of power transformers ranging from 16 KVA 11 KV Class to 10 MVA 33 KV Class. The manufacturing unit is situated in Sitapura Industrial Area of Jaipur with a production capacity of 20000 transformers per annum.

#### 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.

Acuité 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-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.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)**

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 (Up to last three years)**

| Date        | Name of Instrument / Facilities     | Term       | Amount (Rs. Cr) | Ratings/Outlook             |
|-------------|-------------------------------------|------------|-----------------|-----------------------------|
| 27-Mar-2019 | Cash Credit                         | Long term  | 20.00           | ACUITE BB/Stable (Assigned) |
|             | Bill Discounting                    | Short term | 2.50            | ACUITE A4+ (Assigned)       |
|             | Bank Guarantee/ Letter of Guarantee | Short term | 36.00           | ACUITE A4+ (Assigned)       |
|             | Letter of Credit                    | Short term | 4.00            | ACUITE A4+ (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 | 20.00                         | ACUITE D (Downgraded from ACUITE BB)<br>Issuer not co-operating*  |
| Bill Discounting                    | Not Applicable   | Not Applicable | Not Applicable | 2.50                          | ACUITE D (Downgraded from ACUITE A4+)<br>Issuer not co-operating* |
| Bank Guarantee/ Letter of Guarantee | Not Applicable   | Not Applicable | Not Applicable | 36.00                         | ACUITE D (Downgraded from ACUITE A4+)<br>Issuer not co-operating* |
| Letter of Credit                    | Not Applicable   | Not Applicable | Not Applicable | 4.00                          | ACUITE D (Downgraded from ACUITE A4+)<br>Issuer not co-operating* |

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

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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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