

Press Release

Swastik Copper Private Limited

May 28, 2020

Rating Update



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

Acuite 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) Issuer not co-operating*
Bill Discounting	Not Applicable	Not Applicable	Not Applicable	2.50	ACUITE D (Downgraded from ACUITE A4+) Issuer not co-operating*
Bank Guarantee/ Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	36.00	ACUITE D (Downgraded from ACUITE A4+) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE D (Downgraded from ACUITE A4+) Issuer not co-operating*

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

Contacts

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About Acuite Ratings & Research:

Acuite 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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