

Press Release

Svasca Industries India Limited

June 29, 2021



Rating Downgraded and Withdrawn

Total Bank Facilities Rated#	Rs.38.00 Cr.
Long Term Rating	ACUITE BB- (Downgraded from ACUITE BB / Stable) Withdrawn; Issuer not co-operating*
Short Term Rating	ACUITE A4 (Downgraded from ACUITE A4+) Withdrawn; Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has downgraded and withdrawn the long term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) and the short term rating to '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.38.00 Cr. bank facilities of Svasca Industries India Limited (SIIL). The rating is now flagged as an 'Issuer Not-Cooperating' based on best available information.

The rating is being withdrawn on account of the request received from the company and the NOC received from the banker as per Acuité's policy on withdrawal of ratings.

About the Entity

Incorporated in the year 1997, SIIL is a Delhi based Company. The Company is promoted by Mr. Siddharth Tayal, Mr. Aditya Tayal and Mrs. Tripti Tayal. The Company is engaged in the manufacturing and testing of Power and Distribution transformers. The company has two manufacturing units located one at Rudrapur, Uttarakhand and the other at Palwal, Haryana with an annual production capacity of more than 18000 transformers.

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.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an 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>

Note on complexity levels of the rated instrument

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

Liquidity Position

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

Rating Sensitivities

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

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)

Not Applicable

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
02-Nov-2020	Cash Credit	Long Term	12.00	ACUITE BB / Stable (Assigned)
	Bank Guarantee	Short Term	20.00	ACUITE A4+ (Assigned)
	Letter of Credit	Short Term	6.00	ACUITE A4+ (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Available	Not Applicable	12.00	ACUITE BB- (Downgraded from ACUITE BB / Stable) Withdrawn; Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE A4 (Downgraded from ACUITE A4+) Withdrawn; Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE A4 (Downgraded from ACUITE A4+) Withdrawn; Issuer not co-operating*

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

Contacts

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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 8,744 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.

Disclaimer: *An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité. Acuité's rating scale and its definitions.*