



Press Release
Shakti Insulated Wires Private Limited
May 08, 2024

Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	29.57	ACUITE B Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	18.43	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	48.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B' (read as ACUITE B)** on the Rs. 29.57 Cr. bank facilities and short-term rating of **ACUITE A4 (read as ACUITE A four)** on Rs.18.43 Cr. bank facilities of Shakti Insulated Wires Private Limited (SIWPL). The rating is now flagged as "Issuer Not Cooperating" and is based on the best available information. The rating is reaffirmed on account of information risk.

About the Company

Incorporated in 1962, Shakti Insulated Wires Private Limited is a manufacturer and exporter of Paper Covered Rectangular and Round Copper wire for Power and Distribution Transformer. They are supplying to major Power Transformer manufactures in India and abroad. Mr. Markand Chandrakant Thakore, Mrs. Freny Jayesh Jhaveri, Ms. Shivani Markand Thakore are the directors of the company. Its registered office is at Borivali and manufacturing units are in Ankleshwar and Pune.

About the Group

Shakti Group consists of the flagship company Shakti Insulated Wires Private Limited and Shakti Shaswati Private Limited. Incorporated in 1962, Mumbai based Shakti Insulated Wires Private Limited is a manufacturer and exporter of Paper Covered Rectangular and Round Copper wire for Power and Distribution Transformer. Mrs. Shivani Markand Thakore and Mr. Freny Jayesh Jhaveri are the directors of the company. Mumbai based Shakti Shaswati Private Limited was incorporated in 2019. The directors of the company are Mr. Freny Jayesh Jhaveri, Ms. Shivani Markand Thakore, Mr. Rajiv Atulkumar Javeri and Mr. Markand Chandrakant Thakore. Shakti Shaswati Private Limited was incorporated to assist its parent company create and enhance international presence by acting as a sole selling agent through acquisition of export marketing rights.

Unsupported Rating

Not Applicable

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.

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.

This rating is, therefore, being flagged as “Issuer not-cooperating”, in line with prevailing SEBI regulations and Acuité’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). 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.

Rating Sensitivities

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

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	91.65	65.01
PAT	Rs. Cr.	(3.10)	(2.41)
PAT Margin	(%)	(3.39)	(3.71)
Total Debt/Tangible Net Worth	Times	(1.94)	(1.81)
PBDIT/Interest	Times	0.77	0.77

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

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

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
10 Feb 2023	Term Loan	Long Term	7.07	ACUITE B Stable (Assigned)
	Term Loan	Long Term	1.27	ACUITE B Stable (Assigned)
	Term Loan	Long Term	8.64	ACUITE B Stable (Assigned)
	Term Loan	Long Term	12.59	ACUITE B Stable (Assigned)
	PC/PCFC	Short Term	15.00	ACUITE A4 (Assigned)
	PC/PCFC	Short Term	3.43	ACUITE A4 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Abhyudaya Cooperative Bank	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	15.00	ACUITE A4 Reaffirmed Issuer not co-operating*
Abhyudaya Cooperative Bank	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	3.43	ACUITE A4 Reaffirmed Issuer not co-operating*
Abhyudaya Cooperative Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	7.07	ACUITE B Reaffirmed Issuer not co-operating*
Abhyudaya Cooperative Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.27	ACUITE B Reaffirmed Issuer not co-operating*
Abhyudaya Cooperative Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	8.64	ACUITE B Reaffirmed Issuer not co-operating*
Abhyudaya Cooperative Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	12.59	ACUITE B Reaffirmed Issuer not co-operating*

*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr. No.	Company Name
1	Shakti Insulated Wires Private Limited
2	Shakti Shaswati Private Limited

Contacts

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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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