

Press Release

Sitara Conductors And Cables Private Limited

January 04, 2023



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	4.40	ACUITE D Downgraded Issuer not co-operating*	-
Bank Loan Ratings	2.00	-	ACUITE D Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	6.40	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE B+**' (read as **ACUITE B plus**) and the short-term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.6.40 crore bank facilities of Sitara Conductors And Cables Private Limited (SCPL).

The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

The downgrade is under the basis of SARFAESI notice of Union Bank the company's immovable and movable properties are in the AUCTION LIST.

About the Company

SCPL, a West Bengal based company was established in 1986 as a proprietorship firm and changed to private limited in 2007. The company, led by Directors, Mr. Nirmal Kumar Mukim and Mrs. Alka Devi Mukim, is engaged in the manufacture of aluminium conductors and cables used for power distribution. The day-to-day operations are managed by Mr. Nirmal Kumar Mukim.

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 due date. Acuite 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 notcooperating", in line with prevailing SEBI regulations and Acuite'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). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite 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 entity has not shared the latest financial statement for Acuite to comment

Rating Sensitivity

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

Material Covenants

None.

Liquidity Position

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

Outlook

Not Applicable.

Other Factors affecting Rating

Not Applicable.

Status of non-cooperation with previous CRA

Crisil vide its press release dated 28.12.21, rated the company to CRISIL B-/A4; INC.

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité 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
13 Sep 2022	Term Loan	Long Term	0.40	ACUITE B+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	2.00	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	4.00	ACUITE B+ (Issuer not co-operating*)
15 Jun 2021	Cash Credit	Long Term	4.00	ACUITE B+ (Issuer not co-operating*)
	Term Loan	Long Term	0.40	ACUITE B+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	2.00	ACUITE A4 (Issuer not co-operating*)
19 Mar 2020	Cash Credit	Long Term	4.00	ACUITE B+ (Issuer not co-operating*)
	Term Loan	Long Term	0.40	ACUITE B+ (Issuer not co-operating*)
	Bank Guarantee	Long Term	2.00	ACUITE A4 (Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Union Bank of India	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	2.00	ACUITE D Downgraded Issuer not co-operating*
Union Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	4.00	ACUITE D Downgraded Issuer not co-operating*
Union Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	0.40	ACUITE D Downgraded Issuer not co-operating*

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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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