



Press Release

Sigma Electric Manufacturing Corporation Private Limited

January 28, 2020

Rating Withdrawn

Total Bank Facilities Rated*	Rs. 164.00 crore
Long Term Rating	ACUITE BB+ (Downgraded & Withdrawn; Issuer not co-operating)
Short Term Rating	ACUITE A4+ (Downgraded & Withdrawn; Issuer not co-operating)

* Refer Annexure for details

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE Double B plus**) from '**ACUITE A-**' (read as **ACUITE A minus**) and the short-term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A2+**' (read as **ACUITE A four plus**) on the Rs. 164.00 crore bank facilities of SIGMA ELECTRIC MANUFACTURING CORPORATION PRIVATE LIMITED (SEMCP). The rating is downgraded on account of information risk.

Further, Acuite has withdrawn the long-term rating of '**ACUITE BB+**' (read as **ACUITE Double B plus**) and the short-term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) on the abovementioned facilities of SIGMA ELECTRIC MANUFACTURING CORPORATION PRIVATE LIMITED (SEMCP). The rating is withdrawn on account of request received from the company and NOC received from the banker.

Sigma (formerly known as Semco Electric Private Limited) is a Pune-based company established in 1996 by Mr. Sajjan Kumar Agarwal. During FY2007-08, Goldman Sachs Capital Partner Fund, a private equity fund, acquired 80.11 per cent equity stake in Sigma Electric Holdings, Mauritius (holding company of Sigma). In October 2016, Argand Partners LP, a New York-based private equity firm acquired entire stake from Goldman Sachs Private Equity and other shareholders. Mr. Viren A. Joshi continues to be the Director of Sigma.

The company is engaged in the manufacture of electrical wiring and lighting accessories such as electrical boxes, connectors and fittings at Pune (Maharashtra) and Jaipur (Rajasthan). The total installed capacity is 33,587 metric tonnes per annum.

Analytical Approach

Acuite has considered the standalone business and financial risk profile of SRT to arrive at the rating.

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.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Entities in Manufacturing Sector– <https://www.acuite.in/view-rating-criteria-59.htm>

- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.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). 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 rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

None

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
December 20, 2018	Export Packing Credit/PCFC	Short-Term	44.00#	ACUITE A2+ (Downgraded; Issuer not-cooperating*)
	Letter of Credit/Bank Guarantee	Short-Term	55.50	ACUITE A2+ (Downgraded; Issuer not-cooperating*)
	Cash Credit	Long-Term	13.50\$	ACUITE A- (Downgraded; Issuer not-cooperating*)
	Proposed Short Term Facility	Short-Term	51.00	ACUITE A2+ (Downgraded; Issuer not-cooperating*)
September 26, 2017	Export Packing Credit/PCFC	Short-Term	44.00#	ACUITE A1+ (Reaffirmed)
	Letter of Credit/Bank Guarantee	Short-Term	55.50	ACUITE A1+ (Reaffirmed)
	Cash Credit	Long-Term	13.50\$	ACUITE AA-/ Negative (Reaffirmed)
	Proposed Short Term Facility	Short-Term	51.00	ACUITE A1+ (Reaffirmed)
May 14, 2016	Export Packing Credit/PCFC	Short-Term	72.00#	ACUITE A1+ (Reaffirmed)
	Letter of Credit/Bank Guarantee	Short-Term	39.50	ACUITE A1+ (Reaffirmed)
	Cash Credit	Long-Term	13.50\$	ACUITE AA-/ Stable (Upgraded)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Export Packing Credit/PCFC	Not applicable	Not applicable	Not applicable	44.00#	ACUITE A4+ (Downgraded & Withdrawn; Issuer not-cooperating*)
Letter of Credit/Bank Guarantee	Not applicable	Not applicable	Not applicable	55.50	ACUITE A4+ (Downgraded & Withdrawn; Issuer not-cooperating*)
Cash Credit	Not applicable	Not applicable	Not applicable	13.50\$	ACUITE BB+ (Downgraded & Withdrawn; Issuer not-cooperating*)
Proposed Short Term Facility	Not applicable	Not applicable	Not applicable	51.00	ACUITE A4+ (Downgraded & Withdrawn; Issuer not-cooperating*)

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

#includes sublimit of Cash credit of Rs.27.30 crore and overdraft limit of Rs 2.00 crore.

\$includes sublimit of EPC/PCFC - fully interchangeable

Contacts

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About Acuite Ratings & Research:

Acuite Ratings & Research Limited (*erstwhile SMERA Ratings 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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