

Press Release

Siechem Technologies Private Limited (STPL)

12 September, 2017



Notice of Withdrawal

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|-------------------------------------|---|
| Total Bank Facilities Rated* | Rs. 91.95 Cr |
| Long Term Rating | SMERA BBB /Stable (Notice of Withdrawal) |
| Short Term Rating | SMERA A3+ (Notice of Withdrawal) |

*Refer Annexure for details

Rating Rationale

SMERA has placed long term rating of '**SMERA BBB**' (**read as SMERA triple B**) and short-term rating of '**SMERA A3+**' (**read as SMERA A three plus**) of the above bank facilities of Siechem Technologies Private Limited (STPL) on notice of withdrawal for a period of 90 days. As per SMERA's policy on withdrawal of ratings, the rating will be withdrawn after 90 days from the date of this release. The action has been taken at the request of STPL and 'No objection certificate' received from the bank.

About the Rated Entity

Incorporated in 1994, the Tamil Nadu-based STPL was promoted by Mr. P. Damodaren. The company is engaged in the manufacture of specialty wires, cables and caters to various industries including the railways, solar, marine, and automotive among others. The manufacturing facilities of the company are located at Pondicherry, Tamil Nadu and the day-to-day operations are managed by Mr. P. Damodaren, Managing Director along with Mr. G. M. Arunkumar, Executive Director.

Status of non-cooperation with previous CRA (if applicable): Not Applicable

Any other information: Not Applicable

Rating History for the last three years:

| Date | Name of Instrument/ Facilities | Term | Amount (Rs. Crore) | Ratings/Outlook |
|-----------------|-----------------------------------|-----------|-----------------------|--|
| 13-May, 2016 | Cash Credit* | Long Term | 28.50 | SMERA BBB/ Stable (Suspension Revoked: Rating Assigned) |
| | Term Loan- I | Long Term | 4.25 | SMERA BBB/ Stable (Suspension Revoked: Rating Assigned) |

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|-----------------|-------------------------|------------|-------|--|
| | Term Loan- II | Long Term | 4.20 | SMERA BBB/ Stable (Suspension Revoked: Rating Assigned) |
| | Bank Guarantee | Short Term | 26.00 | SMERA A3+ (Suspension Revoked: Rating Assigned) |
| | Letter of Credit** | Short Term | 24.00 | SMERA A3+ (Suspension Revoked: Rating Assigned) |
| | Specific Bank Guarantee | Short Term | 3.00 | SMERA A3+ (Rating Assigned) |
| | Forward Contract | Short Term | 2.00 | SMERA A3+ (Rating Assigned) |
| 31-Oct, 2014 | Cash Credit | Long Term | 26.50 | SMERA B+/Negative (Suspended) |
| | Term Loan | Long Term | 19.06 | SMERA B+/Negative (Suspended) |
| | Letter of Credit | Short Term | 35.00 | SMERA A4 (Suspended) |
| | Bank Guarantee | Short Term | 17.44 | SMERA A4 (Suspended) |
| | Packing credit | Short Term | 2.00 | SMERA A4 (Suspended) |
| 15-Apr, 2014 | Cash Credit^ | Long Term | 26.50 | SMERA B+/Negative (Downgraded from SMERA BBB-/Stable) |
| | Term Loan | Long Term | 16.25 | SMERA B+/Negative (Downgraded from SMERA BBB-/Stable) |
| | Letter of Credit | Short Term | 24.00 | SMERA A4 (Downgraded from SMERA A3) |
| | Bank Guarantee | Short Term | 30.34 | SMERA A4 (Downgraded from SMERA A3) |

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|------------------|------------------------------------|------------|-------|--|
| | Proposed long term bank facilities | Long Term | 2.91 | SMERA B+/Negative (Downgraded from SMERA BBB-/Stable) |
| 09-July, 2013 | Cash Credit | Long Term | 17.50 | SMERA BBB-/Stable (Assigned) |
| | Term Loan | Long Term | 17.13 | SMERA BBB-/Stable (Assigned) |
| | Line of Credit | Short Term | 11.00 | SMERA A3 (Assigned) |
| | Letter of Credit | Short Term | 24.00 | SMERA A3 (Assigned) |
| | Bank Guarantee | Short Term | 30.00 | SMERA A3 (Assigned) |
| | Proposed long term bank facilities | Long Term | 0.37 | SMERA BBB-/Stable (Assigned) |

*PC/FBP/FBD of Rs. 2.00 crore and ILC/FLC of Rs. 11.00 crore sub-limit within cash credit

** ILC/FLC-Inland Letter of Credit (ILC) / Foreign Letter of Credit (FLC)

[^] Interchangeable with letter of credit to the extent of Rs. 11 cr and packing credit to the extent of Rs. 2.cr

***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* | NA | NA | NA | 28.50 | SMERA BBB/Stable (Notice of Withdrawal) |
| Term Loan- I | NA | NA | NA | 4.25 | SMERA BBB/Stable (Notice of Withdrawal) |
| Term Loan- II | NA | NA | NA | 4.20 | SMERA BBB/Stable (Notice of Withdrawal) |
| Bank Guarantee | NA | NA | NA | 26.00 | SMERA A3+ (Notice of Withdrawal) |
| Letter of Credit** | NA | NA | NA | 24.00 | SMERA A3+ (Notice of Withdrawal) |
| Specific Bank Guarantee | NA | NA | NA | 3.00 | SMERA A3+ (Notice of Withdrawal) |
| Forward Contract | NA | NA | NA | 2.00 | SMERA A3+ (Notice of Withdrawal) |

*PC/FBP/FBD of Rs. 2.00 crore and ILC/FLC of Rs. 11.00 crore sub-limit within cash credit

** ILC/FLC-Inland Letter of Credit (ILC) / Foreign Letter of Credit (FLC)

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ABOUT SMERA

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