



Press Release

Silver Consumer Electricals Private Limited (SCEPL)

July 20, 2023

Ratings:

Instrument / Facility	Amount (INR Crore)	Ratings	Rating Action	<u>Complexity Indicator</u>
Long Term Fund Based Bank Facilities – Cash Credit	44.50	IVR BB+/ Negative; ISSUER NOT COOPERATING * (IVR Double B Plus with Negative Outlook; ISSUER NOT COOPERATING *)	Revised from IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook) and moved to ISSUER NOT COOPERATING Category	Simple
Total	44.50 (Rupees Forty Four crore and Fifty lakh only)			

**Issuer did not cooperate; based on best available information*

Details of Facility are in Annexure 1

Detailed Rationale

The revision in the ratings reflects lack of adequate information available and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications dated May 31, 2023, June 13, 2023, June 20, 2023, June 21, 2023, June 23, 2023 and June 28, 2023, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted some of the essential details.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based



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on the best available information. Accordingly, the ratings for the bank loan facilities aggregating to Rs. 44.50 crore of SCEPL has been moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB+/ Negative; INC; based on best available information (IVR Double B Plus with Negative Outlook; ISSUER NOT COOPERATING); based on best available information.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Criteria of Rating Outlook](#)

[Policy of default recognition](#)

About the Company

Silver Engineering Company was established as a partnership firm in April, 1981 by Bedia Family. Furthermore, the partnership firm was converted into private limited company and the name was changed to 'Silver Consumer Electricals Pvt. Ltd.' (SCEPL) in the year 2021. The company was established as a supplier of Self priming pumps, Centrifugal Pumps, Open-well submersible Pumps, Borewell submersible Pumps and Mud/Sewage Pumps. Currently the company manufactures water pumps and motors with a broad range of products, widely used in the agricultural sector. SCEPL is a family managed business of Bedia family with five brothers namely, Dharmshibhai Bedia, Arvindbhai Bedia, Shaileshbhai Bedia, Masukhbhai Bedia, Kunvarjibhai Bedia. In 2019 due to family separation three partners retired from business and Dharmshibhai Bedia and Kunvarjibhai Bedia continued the family business with their second generation, Vinitbhai Bedia and Kashyap Bedia. The company has 18 branch offices throughout India with a network of close to 200 sub-dealers and sells its products under the brand name 'Silver'. The company is also an OEM for Crompton Greaves Consumer Electricals Limited.

Financials (Standalone):

(Rs. crore)



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For the year ended / As on*	31-03-2021	31-03-2022
	Audited	Audited
Total Operating Income	249.10	322.95
EBITDA	16.45	22.18
PAT	8.16	10.78
Total Debt	52.35	124.02
Tangible Net worth	53.98	60.03
Ratios		
EBITDA Margin (%)	6.60	6.87
PAT Margin (%)	3.27	3.32
Overall Gearing Ratio	0.97	2.07

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (June 1, 2022)	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21
1.	Long Term Fund Based Bank Facilities – Cash Credit	Long Term	44.50	IVR BB+/ Negative; ISSUER NOT COOPERATING *	IVR BBB-/ Stable	-	-

*Issuer did not cooperate; based on best available information

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration



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from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Instruments / Facilities

Name of Instruments / Facilities	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
Long Term Fund Based Bank Facilities – Cash Credit	-	-	-	44.50	IVR BB+/ Negative; ISSUER NOT COOPERATING *

* Issuer did not cooperate; based on best available information

Annexure 2: List of companies considered for consolidated analysis: Not Applicable



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Annexure 3: Facility wise lender details: Not Available

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com