

November 11, 2021

Fujikawa Power: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Term Loans	40.50	40.50	[ICRA]BBB+(Stable); withdrawn
Fund based limits – Working Capital	37.00	37.00	[ICRA]BBB+(Stable); withdrawn
Non-fund based- LC/BG	33.00	33.00	[ICRA]A2; withdrawn
Unallocated	3.50	3.50	[ICRA]BBB+ (Stable)/[ICRA]A2; withdrawn
Total	114.0	114.0	

*Instrument details are provided in Annexure-1

Rationale

The ratings assigned to the bank facilities of Fujikawa Power (FP) have been withdrawn at the request of the company, upon receipt of no objection certificates (NOC) from the bankers, in accordance with ICRA's policy on withdrawal and suspension of credit rating. ICRA is withdrawing the rating and it does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key rating drivers, Liquidity position, Rating sensitivities, Key financial indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology ICRA's Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	NA
Consolidation/Standalone	For arriving at the ratings, ICRA has consolidated the financials of the various Group entities (as mentioned in Annexure-2), given the close business, financial and managerial linkages among the same

About the company

FP, a part of the Okaya Group, is a partnership firm promoted by members of the Gupta family. It was set up in 2009 for manufacturing of batteries and its components. The manufacturing unit of the firm is in Baddi, Himachal Pradesh with a production capacity of around 12 lakh batteries per annum.

Okaya Group is involved in manufacturing of batteries (for inverters, UPS, solar and automotive segment) and water and air purifiers. While OPL primarily acts as the marketing and distribution arm of the Group, other entities are involved in manufacturing activity. The Group's manufacturing facilities are in Baddi (Himachal Pradesh). The shareholding of all Group entities is completely held by members of the Gupta family. The family also holds a 50% stake in the Microtek Group, an established inverter and UPS manufacturer.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Rating (FY2022)			Chronology of Rating History for the past 3 years					
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore) – Mar 31, 2020	Current Rating	Date & Rating in FY2021		Date & Rating in FY2020		Date & Rating in FY2019
					Date & Rating					
					Nov 11, 2021	Feb 15, 2021	Apr 20, 2020	Jan 08, 2020	Dec 23, 2019	Jan 21, 2019
1	Term Loans	Long Term	40.50	10.8	[ICRA]BBB+ (Stable) withdrawn	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Negative)	[ICRA]BBB+&	[ICRA]BBB+ (Stable)	-
2	Fund based limits – Working capital	Long Term	37.00	-	[ICRA]BBB+ (Stable) withdrawn	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Negative)	[ICRA]BBB+&	[ICRA]BBB+ (Stable)	[ICRA]BBB- (Stable), ISSUER NOT COOPERATING; withdrawn
3	Non-fund based – LC/BG	Short Term	33.00	-	[ICRA]A2 withdrawn	[ICRA]A2	[ICRA]A2	[ICRA]A2&	[ICRA]A2	ICRA]A3, ISSUER NOT COOPERATING; withdrawn
4	Unallocated	Short Term/ Long Term	3.50	-	[ICRA]BBB+ (Stable)/ [ICRA]A2 withdrawn	[ICRA]BBB+ (Stable)/ [ICRA]A2	[ICRA]BBB+ (Negative)/ [ICRA]A2	[ICRA]BBB+&/ [ICRA]A2&	[ICRA]BBB+ (Stable)/ [ICRA]A2	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Term Loans	Simple
Fund based limits – Working capital	Simple
Non-fund based – LC/BG	Very Simple
Unallocated	NA

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. Crore)	Current Rating and Outlook
NA	Term Loans	2017-18	8-9.5%	2023	40.50	[ICRA]BBB+(Stable) withdrawn
NA	Fund based limits – working capital				37.00	[ICRA]BBB+(Stable) withdrawn
NA	Non-fund based – LC/BG				33.00	[ICRA]A2 withdrawn
NA	Unallocated				3.50	[ICRA]BBB+ (Stable)/ [ICRA]A2 withdrawn

Source: Company

Annexure-2: List of entities considered for consolidated analysis:

Company Name	Ownership	Consolidation Approach
Fujikawa Power	-	Full Consolidation
Sunox International	-	Full Consolidation
Geon International	-	Full Consolidation
Nasaka Energy Systems	-	Full Consolidation
Okaya Power Pvt. Ltd.	-	Full Consolidation

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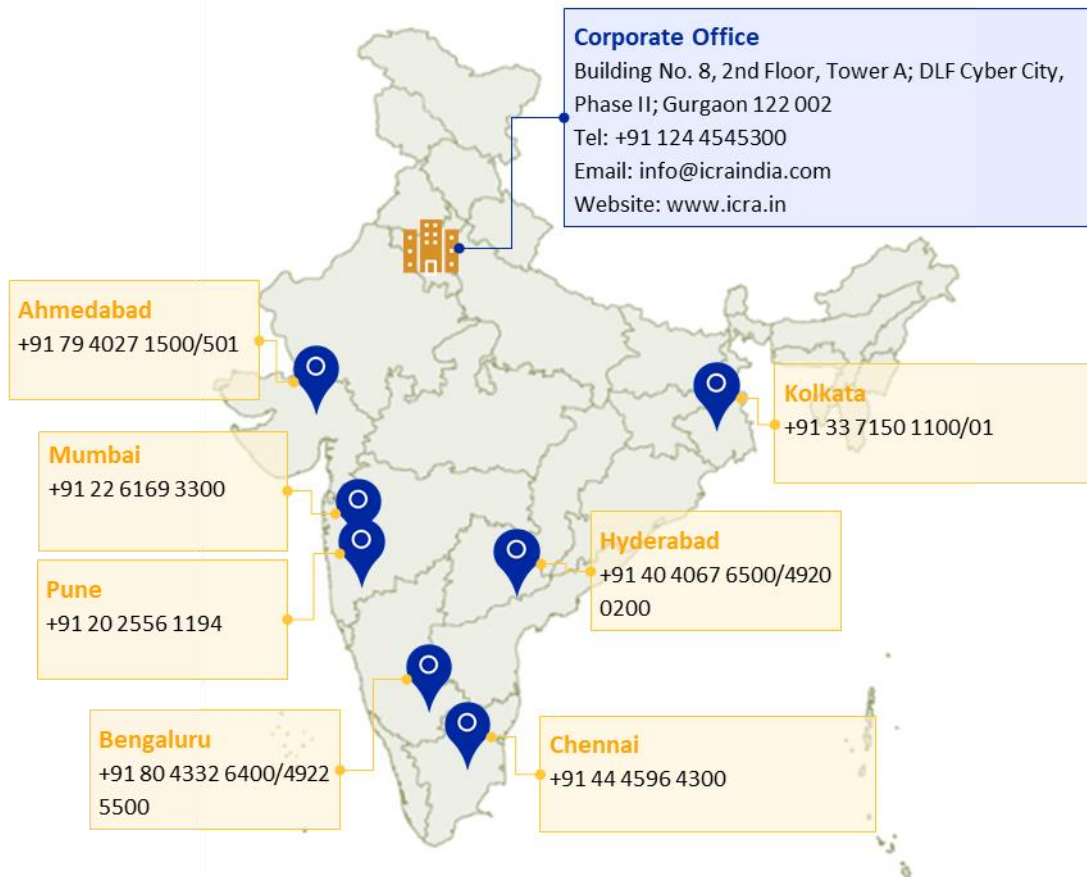
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