

July 18, 2024

Chheda Electricals And Electronics Pvt. Ltd. : Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	16.98	16.98	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Term Loan	18.02	18.02	[ICRA]B+(Stable) ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	35.00	35.00	

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

[^]Instrument details are provided in Annexure-I

Rationale

ICRA has kept the Long-Term rating of Chheda Electricals And Electronics Pvt. Ltd. in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B+(Stable) ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Chheda Electricals And Electronics Pvt. Ltd. ICRA has been trying to seek information from the entity so as to monitor its performance Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Auto Components
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Established in 1995, CEPL is engaged in manufacturing products like flywheel magneto, electronic ignition unit (CDI+ ignition coil), regulator-rectifier, solid state flasher, ignition module, ignition coils, and ultracapacitor-based battery for two-wheeler www.icra .in Page |2 automotive applications. The company was founded by Mr. Vijay Chheda and primarily provides electronic components to major two-wheeler manufacturers in India, such as TVS Motors, Bajaj Auto Limited and Hero

Motocorp Limited, among others. CEPL's two manufacturing plants are located at Palshi near Pune, Maharashtra, and at Roorkee in Uttarakhand.

Key financial indicators:

Standalone	FY 2022	FY 2023
Operating Income (Rs. crore)	201.3	232.9
PAT (Rs. crore)	1.9	7.4
OPBDITA/OI (%)	12.5%	11.1%
PAT/OI (%)	0.9%	3.2%
Total Outside Liabilities/Tangible Net Worth (times)	1.0	0.9
Total Debt/OPBDITA (times)	2.1	1.7
Interest Coverage (times)	7.1	5.7

PAT: Profit after Tax; OPBDITA: Operating Profit before Depreciation, Interest, Taxes and Amortization

Source: MCA

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

Instrument	Current Rating (FY2025)			Chronology of Rating History for the past 3 years			
	Type	Amount Rated (Rs. Crore)	Date & Rating in	Date & Rating in	Date & Rating in	Date & Rating in	
			18-July-2024	18-May-2023	25-Apr-2022	27-Jan-2021	
1 Long Term-Fund Based-Cash Credit	Long Term	16.98	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB+(Stable); ISSUER NOT COOPERATING	[ICRA]BB+(Stable); ISSUER NOT COOPERATING	
2 Long Term-Fund Based-Term Loan	Long Term	18.02	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB+(Stable); ISSUER NOT COOPERATING	[ICRA]BB+(Stable); ISSUER NOT COOPERATING	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple

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: [Click Here](#)

Annexure-I: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Long Term-Fund Based-Cash Credit	-	-	-	16.98	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Long Term-Fund Based-Term Loan	-	-	-	18.02	[ICRA]B+(Stable) ISSUER NOT COOPERATING

Source Chheda Electricals And Electronics Pvt. Ltd.

Annexure-II: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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