

July 19, 2024

Safe-Tronics Automation Private Limited: Continues to remain under issuer Non-Cooperating category, Rating downgraded based on best available information

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-Term – Fund-Based / Cash Credit	4.00	4.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB-(Stable); ISSUER NOT COOPERATING and continues to remain under the 'Issuer Not Cooperating' category.
Short-Term – Non-Fund-Based Facilities	8.00	8.00	[ICRA]A4; ISSUER NOT COOPERATING*; rating continues to remain in the 'Issuer Not Cooperating' category
Total	12.00	12.00	

*Issuer did not cooperate; based on best available information; Instrument details are provided in Annexure-1

Rationale

The rating downgrade is attributable to the lack of adequate information regarding Safe-Tronics Automation Private Limited performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its “Policy in respect of non-cooperation by a rated entity” available at www.icra.in. 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, despite the downgrade.”

As part of its process and in accordance with its rating agreement with Safe-Tronics Automation Private Limited, 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 the 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
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

About the company

Safe-Tronics was established in 2007 by Mr. Avinash Pol and Mrs. Manjusha Pol for providing turnkey solutions for the designing, erection, commissioning as well as maintenance of fire and gas detection systems. It is an exclusive distributor of fire and gas detection systems manufactured by DEC in India and also has supply arrangements with entities such as Norriseal (part of Dover Corporation, USA) for control valves used with fire and gas detector equipment, Rockwell Automation for supply of control systems, and with MEDC (UK) for supply of hooters, alarms and beacons, among others. The company has recently onboarded two new principals—Marioff Corporation (Finland) for fire suppression systems, and Autronica Fire and Security (Norway) for fire alarm panels. Safe-Tronics mainly caters to large public sector undertakings (PSU) as well as private entities in the oil exploration and production business. In addition to installation of F&G detector systems, Safe-Tronics undertakes annual maintenance contracts of such systems.

Key financial indicators:

Standalone	FY 2022	FY 2023
Operating Income (Rs. crore)	15.04	16.86
PAT (Rs. crore)	1.18	0.95
OPBDITA/OI (%)	11.40%	10.50%
PAT/OI (%)	7.90%	5.60%
Total Outside Liabilities/Tangible Net Worth (times)	0.67	0.54
Total Debt/OPBDITA (times)	1.52	1.50
Interest Coverage (times)	17.10	4.18

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

Source: MCA

Status of non-cooperation with previous CRA: Not Applicable

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 FY2024	Date & Rating in FY2023	Date & Rating in FY2022
				Jul 19, 2024	April 24, 2023	November 18, 2022	January 28, 2022
1	Cash Credit	Long-term	4.00	[ICRA]B+(Stable) ISSUER NOT COOPERATING	[ICRA]BB-(Stable) ISSUER NOT COOPERATING	[ICRA]BB-(Stable) ISSUER NOT COOPERATING	[ICRA]BB-(Stable)
2	Non-Fund-Based Facilities	Short-term	8.00	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A4

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-Term – Fund-Based / Cash Credit	Simple
Short-Term – Non-Fund-Based Facilities	Very 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 are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN No	Instrument Name	Date of Issuance	Coupon Rate*	Maturity	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	NA	NA	NA	4.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
NA	Non-Fund-Based Facilities	NA	NA	NA	8.00	[ICRA]A4; ISSUER NOT COOPERATING

Source: Safe-Tronics Automation Private Limited

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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