

April 27, 2023

Star Circlips & Engineering Limited: 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	19.50	19.50	[ICRA]B+ (Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Term Loan	19.04	19.04	[ICRA]B+ (Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Unallocated	2.26	2.26	[ICRA]B+ (Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Fund Based-Cash Credit	0.95	0.95	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Non-Fund Based	3.25	3.25	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Interchangeable	(43.80)	(43.80)	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	45.00	45.00	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has retained the ratings for the bank facilities of Star Circlips & Engineering Limited in the 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]B+ (Stable)/[ICRA]A4; ISSUER NOT COOPERATING".

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. But despite repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity. The rating action has been taken in accordance with ICRA's policy in respect of non-cooperation by a rated entity available at www.icra.in.

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	Corporate Credit Rating Methodology Policy in respect of non-cooperation by the rated entity
Parent/Group Support	Not Applicable
Consolidation/Standalone	Standalone

About the company

Star Circlips & Engineering Limited was incorporated in 1974 as a private limited company named, Star Pyro & Chemicals Limited. The company's name was later changed to Star Circlips & Engineering Private Limited in 1989 and was subsequently converted into a public limited company in 1995. The company is engaged in the manufacturing of circlips, retaining rings, shims, washers, spacers and other multi-form components that are mainly used in automobiles. SCEL's registered office is in Nagpur, and its two manufacturing units are at Hingna and Butibori in Nagpur, Maharashtra.

Key Financial Indicator:

Name of the company	FY2021	FY2022
Operating income (Rs. crore)	96.9	149.5
PAT (Rs. crore)	7.3	16.5
OPBDITA/ OI (%)	20.7%	21.6%
RoCE (%)	12.9%	20.1%
Total Debt/ TNW (times)	0.4	0.4
Total Debt/ OPBDITA (times)	1.4	1.4
Interest coverage (times)	10.6	19.4
NWC/ OI (%)	47.6%	46.7%

Source: Company

Status of non-cooperation with previous CRA: Not Applicable.

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2024)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020
					27-Apr-2023			
1	Cash Credit	Long Term	19.50	-	[ICRA]B+(Stable) ; ISSUER NOT COOPERATING	[ICRA]B+(Stable) ; ISSUER NOT COOPERATING	[ICRA]B+(Stable) ; ISSUER NOT COOPERATING	[ICRA]BB+(Stable) ; ISSUER NOT COOPERATING
2	Term Loan	Long Term	19.04	-	[ICRA]B+(Stable) ; ISSUER NOT COOPERATING	[ICRA]B+(Stable) ; ISSUER NOT COOPERATING	[ICRA]B+(Stable) ; ISSUER NOT COOPERATING	[ICRA]BB+(Stable) ; ISSUER NOT COOPERATING
3	Unallocated	Long Term	2.26	-	[ICRA]B+(Stable) ; ISSUER NOT COOPERATING	[ICRA]B+(Stable) ; ISSUER NOT COOPERATING	[ICRA]B+(Stable) ; ISSUER NOT COOPERATING	[ICRA]BB+(Stable) ; ISSUER NOT COOPERATING

4	Fund Based limits	Short Term	0.95	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4+; ISSUER NOT COOPERATING
5	Non-Fund Based	Short Term	3.25	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4+; ISSUER NOT COOPERATING
6	Interchangeable	Short Term	(43.80)	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4+; ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple
Unallocated	Not Applicable
Fund Based	Simple
Non-Fund Based	Very Simple
Interchangeable	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, is available on ICRA's website: [Click Here](#)

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	Cash Credit	-	-	-	19.50	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Term Loan	-	-	-	19.04	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	2.26	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Fund based	-	-	-	0.95	[ICRA]A4; ISSUER NOT COOPERATING
NA	Non-Fund Based	-	-	-	3.25	[ICRA]A4; ISSUER NOT COOPERATING
NA	Interchangeable	-	-	-	(43.80)	[ICRA]A4; ISSUER NOT COOPERATING

Source Star Circlips & Engineering Limited

Annexure-2: List of entities considered for consolidated analysis: Not Applicable.

ANALYST CONTACTS

Shamsher Dewan
+91 124 4545328
shamsherd@icraindia.com

Subhechha Banerjee
+91 33 7150 1130
subhechha.banerjee@icraindia.com

Sweety Shaw
+91 33 7150 1180
sweety.shaw@icraindia.com

RELATIONSHIP CONTACT

Jayanta Chatterjee
+91 80 4332 6401
jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

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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ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



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