

November 18, 2022^(Revised)

Safe-Tronics Automation Private Limited – Rating Moved to ISSUER NOT 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 | 4.00 | 4.00 | [ICRA]BB-(Stable) ISSUER NOT COOPERATING*; Rating moved to 'issuer not cooperating' category |
| Short-Term – Non Fund-Based | 8.00 | 8.00 | [ICRA]A4; ISSUER NOT COOPERATING*; Rating moved to 'issuer not cooperating' category |
| Total | 12.00 | 12.00 | |

*Issuer did not cooperate; based on best information available

[^]Instrument details are provided in Annexure-1

Rationale

The rating is based on limited cooperation from the entity since the time it was last rated in January 2022. As part of its process and in accordance with its rating agreement with Safe-Tronics Automation Private Limited (Safe-Tronics), ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. However, despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite cooperation and in line with SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, the firm's rating has been moved to the "Issuer Not Cooperating" category.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [Click here](#).

Analytical approach

| Analytical Approach | Comments |
|---------------------------------|---|
| Applicable Rating Methodologies | Corporate Credit Rating Methodology Policy in Respect of Non-Cooperation by a Rated Entity |
| Parent/Group Support | Not applicable |
| Consolidation/Standalone | For arriving at the ratings, ICRA has considered the standalone financials of Safe-Tronics Automation Private Limited. |

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.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

| | Instrument | Current Rating (FY2023) | | | | Chronology of Rating History for the past 3 years | | | |
|---|-------------------------------------|--------------------------|--------------------------|---|---|---|-------------------------|-------------------------------|--|
| | | Type | Amount Rated (Rs. crore) | Amount Outstanding as of March 31, 2021 (Rs. crore) | Date & Rating in | Date & Rating in FY2022 | Date & Rating in FY2021 | Date & Rating in FY2020 | |
| | | | | | November 18, 2022 | | | | |
| 1 | Cash Credit | Long-term | 4.00 | - | [ICRA]BB-(Stable) ISSUER NOT COOPERATING | [ICRA]BB-(Stable) | [ICRA]BB-(Stable) | [ICRA]B+(Stable) | |
| 2 | Bank Guarantee cum Letter of Credit | Short-term | 8.00 | - | [ICRA]A4 ISSUER NOT COOPERATING | [ICRA]A4 | [ICRA]A4 | [ICRA]A4 | |
| 3 | Unallocated Limits | Long-term/ Short-term | - | - | - | - | - | [ICRA]B+(Stable)/ [ICRA]A4 | |

Complexity level of the rated instruments

| Instrument | Complexity Indicator |
|--------------------------------------|----------------------|
| Long-Term – Fund-Based / Cash Credit | Simple |
| Short-Term – Non Fund-Based | 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/Banker Name | 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]BB- (Stable) ISSUER NOT COOPERATING |
| NA | Bank Guarantee cum Letter of Credit | NA | NA | NA | 8.00 | [ICRA]A4 ISSUER NOT COOPERATING |

Source: Company

Annexure-2: List of entities considered for consolidated analysis – Not applicable
Corrigendum

Rating rationale dated November 18, 2022 has been corrected with revision as detailed below:

Analytical approach table on Page 1: In the Applicable Rating Methodologies section, “Policy in Respect of Non-Cooperation by a Rated Entity” along with applicable link has been added.

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