



05<sup>th</sup> August, 2017

Dept. of Corporate Services <b>BSE Ltd</b> Jeejeebhoy Towers Dalal Street Mumbai 400 001 Script Code: 533389	<b>The National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Security Symbol: SHILPI
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Dear Sir,

**Subject: Intimation of Revised Credit Rating**  
**Re: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015**

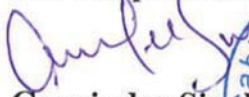

We hereby inform you that Credit Rating assigned to the Company has been revised by Credit Rating Agency i.e. Brickwork Ratings, w.e.f. 04<sup>th</sup> August, 2017. The Copy of the same is enclosed herewith for your reference.

This is for your kind information and record please.

Thanking you,

Yours Sincerely,

For Shilpi Cable Technologies Ltd

  
Gurvinder Singh  
Company Secretary  


**Enclosed: Shilpi Rating Rationale**

**Shilpi Cable Technologies Limited**  
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## Rating Rationale

### Shilpi Cable Technologies Limited.

4<sup>th</sup> August 2017

**Brickwork Ratings revises ratings for the Bank Loan Facilities of Rs. 1250 Crores of Shilpi Cable Technologies Limited (SCTL).**

### Particulars

Facility	Amount (Rs. Crs)	Tenure	Rating Assigned*	Rating History May 2017
Fund Based	300.00	Long Term	BWR D (Non Cooperation)	BWR BB (Pronounced as BWR Double B) (Outlook Rating Under Watch with Negative Implication) (Non Cooperation)
Non-Fund Based	950.00	Short Term		BWR A4 (Pronounced as BWR A Four) (Non Cooperation)
<b>Total</b>	<b>1250.00</b>	INR One Thousand Two Hundred Fifty Crores Only		

1. Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings
2. Borrower did not cooperate; based on best available information

### Rationale/Description of Key Rating Drivers:

BWR has principally relied upon publically available information and Banker's feedback, as the issuer did not cooperate, and key officials of the company have resigned in the recent past.

The ratings for the Bank Loan limits have been revised on account of a petition against SCTL filed by an overseas creditor under sections 8 and 9 of the Insolvency and Bankruptcy Code, 2016, before the National Company Law Tribunal (NCLT). NCLT has passed an order for appointment of an Interim Resolution Profession ('IRP') to initiate the insolvency process on May 24<sup>th</sup>, 2017. The company has appealed against the order before NCLAT and it has been allowed by the Appellate Authority on August 1<sup>st</sup>, 2017 and the order has been set aside. The outcome of the appeal is uncertain.



The Rating also takes into account the resignations of some of the senior members of the management and independent directors soon after the litigation and as per the recent disclosure the CEO of the company has also resigned. The company's management has remained non-cooperative despite continuous requests and follow-ups to seek information. Thus, the rating is based on the best available information and feedback from the bankers, indicating liquidity issues with respect to debt repayments not being timely. The above sequence of events raise concerns related to the company's financial health and its ability to comply with all the regulations.

The company's rating is continued as "BORROWER NOT COOPERATING" with further downgrade to "BWR D". The lenders, investors and other market participants may exercise appropriate caution while using this rating, given that it is based on limited or no updated information on the company's performance since the time it was last rated.

**Rating Drivers:** The downgrade reflects defaults on debt obligations.

**Rating sensitivities:**

Positive: Timely debt servicing for three consecutive months and outcome of the petition in the favor of the company could result in a rating upgrade.

**For further details on the company, a reference can be made to our rationale dated April 12<sup>th</sup>, 2017, May 12<sup>th</sup>, 2017 and May 26<sup>th</sup>, 2017.**

**Rating History for the last three years (including withdrawn/suspended ratings)**

Sl. No.	Instrument/Facility	Current Rating			Rating History		
		Type	Amount (RsCr)	Rating	May 2017	May 2017	April 2017
1.	Fund Based	Long Term	300.00	BWR D (Non Cooperation)	BWR BB/ Rating Under Watch with Negative Implication (Non Cooperation)	BWR BBB/ Rating Under Watch with Negative Implication	BWR A-/ Stable BWR A2+
2.	Non Fund Based	Short Term	950.00		BWR A4 (Non Cooperation)	BWR A3	

**Status of non-cooperation with previous CRA:**



- India Ratings has put the Rating under 'Issuer Non Cooperating' on May 19<sup>th</sup>, 2017
- ICRA has put the Rating under 'Issuer Not Cooperating' on July 13<sup>th</sup>, 2017.

**Hyperlink/Reference to applicable Criteria**

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Manufacturing Companies](#)
- [Short Term Debt](#)

For any other criteria obtain hyperlinks from website

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**For print and digital media**

The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

**Note on complexity levels of the rated instrument:**

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf) Investors queries can be sent to [info@brickworkratings.com](mailto:info@brickworkratings.com).

**About Brickwork Ratings**

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA& the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.



BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

#### **DISCLAIMER**

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.