

Press Release

Paltech Cooling Towers & Equipments Limited

October 03, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	12.85	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank Loan Ratings	15.15	ACUITE C Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	28.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE C**' (read as **ACUITE C**) and the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 28.00 crore bank facilities of Paltech Cooling Towers & Equipments Limited (PCTEL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

Haryana-based, PCTEL was incorporated in 1986 by Mr H P Yadav. The company is involved in the production of cooling towers, water treatment systems and chilling plants for government and nongovernment entities in the domestic and overseas markets. It has three manufacturing units in Mewat district, Haryana. Paltech is a member of the Cooling Technology Institute (CTI), USA and is ISO 9001:2008, ISO 14001:2004 and OHSAS18001:2007 certified.

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in

the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

None

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable.

Other Factors affecting Rating

None

Status of non-cooperation with previous CRA

None.

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
13 Jul 2021	Standby Line of Credit	Long Term	1.35	ACUITE C (Issuer not co-operating*)
	Bank Guarantee	Short Term	6.00	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	4.50	ACUITE C (Issuer not co-operating*)
	Bank Guarantee	Short Term	5.01	ACUITE A4 (Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	0.30	ACUITE C (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.84	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	9.00	ACUITE C (Issuer not co-operating*)
	Letter of Credit	Short Term	1.00	ACUITE A4 (Issuer not co-operating*)
14 Apr 2020	Bank Guarantee	Short Term	6.00	ACUITE A4 (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.84	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	9.00	ACUITE C (Issuer not co-operating*)
	Standby Line of Credit	Long Term	1.35	ACUITE C (Issuer not co-operating*)
	Letter of Credit	Short Term	1.00	ACUITE A4 (Issuer not co-operating*)
	Bank Guarantee	Short Term	5.01	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	4.50	ACUITE C (Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	0.30	ACUITE C (Issuer not co-operating*)
29 Jan 2019	Cash Credit	Long Term	4.50	ACUITE C (Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	0.30	ACUITE C (Issuer not co-operating*)
	Standby Line of Credit	Long Term	1.35	ACUITE C (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.84	ACUITE A4 (Issuer not co-operating*)
	Bank Guarantee	Short Term	6.00	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	9.00	ACUITE C (Issuer not co-operating*)
	Letter of Credit	Short Term	1.00	ACUITE A4 (Issuer not co-operating*)
	Bank Guarantee	Short Term	5.01	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	9.00	ACUITE C (Downgraded from ACUITE BB-)
	Cash Credit	Long Term	4.50	ACUITE C (Downgraded from ACUITE BB-)
		Long		ACUITE C (Downgraded from

16 Feb 2018	Standby Line of Credit	Term	1.35	ACUITE BB-)
	Proposed Long Term Loan	Long Term	0.30	ACUITE C (Downgraded from ACUITE BB-)
	Letter of Credit	Short Term	1.00	ACUITE A4 (Reaffirmed)
	Bank Guarantee	Short Term	6.00	ACUITE A4 (Reaffirmed)
	Bank Guarantee	Short Term	5.01	ACUITE A4 (Reaffirmed)
	Bank Guarantee	Short Term	0.84	ACUITE A4 (Reaffirmed)
27 Sep 2017	Cash Credit	Long Term	9.00	ACUITE BB- (Issuer not co-operating*)
	Cash Credit	Long Term	4.50	ACUITE BB- (Issuer not co-operating*)
	Standby Line of Credit	Long Term	2.00	ACUITE BB- (Issuer not co-operating*)
	Proposed Working Capital Demand Loan	Long Term	0.49	ACUITE BB- (Issuer not co-operating*)
	Letter of Credit	Short Term	1.00	ACUITE A4 (Issuer not co-operating*)
	Bank Guarantee	Short Term	6.00	ACUITE A4 (Issuer not co-operating*)
	Bank Guarantee	Short Term	5.01	ACUITE A4 (Issuer not co-operating*)
25 Jul 2016	Cash Credit	Long Term	9.00	ACUITE BB- Stable (Assigned)
	Cash Credit	Long Term	4.50	ACUITE BB- Stable (Assigned)
	Standby Line of Credit	Long Term	2.00	ACUITE BB- Stable (Assigned)
	Proposed Working Capital Demand Loan	Long Term	0.49	ACUITE BB- Stable (Assigned)
	Letter of Credit	Short Term	1.00	ACUITE A4 (Assigned)
	Bank Guarantee	Short Term	6.00	ACUITE A4 (Assigned)
	Bank Guarantee	Short Term	5.01	ACUITE A4 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE A4 Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	5.01	ACUITE A4 Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	0.84	ACUITE A4 Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	9.00	ACUITE C Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.50	ACUITE C Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4 Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	0.30	ACUITE C Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Stand By Line of Credit	Not Applicable	Not Applicable	Not Applicable	1.35	ACUITE C Reaffirmed Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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