

**Press Release**  
**Veremax Technologie Services Limited**  
**March 20, 2024**



**Rating Downgraded and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	85.00	ACUITE C   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	15.00	-	ACUITE A4   Downgraded   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	100.00	-	-

**Rating Rationale**

Acuite has downgraded the long-term rating to '**ACUITE C**' (read as **ACUITE C**) from '**ACUITE BB+**' (read as **ACUITE Double B plus**) on the Rs.85.00 Cr. and the short term rating to '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A4+**' (read as **ACUITE A Four Plus**) on the Rs.15.00 Cr. bank facilities of Veremax Technologie Services Limited (VTSL). The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

The downgrade is based on recent delays being reflected in the CRIF highmark report and other publicly available information.

**About the Company**

Incorporated in 2013 and based in Chennai (Tamil Nadu), Veremax Technologie Services Limited (VTSL) provides end to end telecom service integration, project implementation and maintenance of active equipment for leading telecom operators. The company is engaged in services such as Fiber leasing, Tower maintenance and Fiber maintenance, Bandwidth and allied services for leading telecom providers. The present directors of the company are Mr. Npalanisamy Raja, Mr. Tiruchendur Rajakani Meganathan Venkatesh and Mr. Thulasimani Marimuthu.

**Unsupported Rating**

Not Applicable

**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



**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.

**Rating Sensitivity**

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

**Liquidity Position**

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

**Outlook: Not Applicable****Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	435.51	325.49
PAT	Rs. Cr.	10.41	4.79
PAT Margin	(%)	2.39	1.47
Total Debt/Tangible Net Worth	Times	4.71	4.26
PBDIT/Interest	Times	5.27	5.30

## Status of non-cooperation with previous CRA

Not Applicable

## Any other information

None

## Applicable Criteria

- Service Sector: <https://www.acuite.in/view-rating-criteria-50.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

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in)

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
07 Mar 2024	Bills Discounting	Short Term	15.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	40.00	ACUITE BB+   Not Applicable (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	45.00	ACUITE BB+   Not Applicable (Reaffirmed & Issuer not co-operating*)
31 Jan 2023	Bills Discounting	Short Term	15.00	ACUITE A4+ (Downgraded from ACUITE A3)
	Cash Credit	Long Term	40.00	ACUITE BB+   Stable (Downgraded from ACUITE BBB-   Stable)
	Cash Credit	Long Term	45.00	ACUITE BB+   Stable (Assigned)
04 Mar 2022	Bills Discounting	Short Term	15.00	ACUITE A3 (Assigned)
	Cash Credit	Long Term	40.00	ACUITE BBB-   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
HDFC Bank Ltd	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	15.00	ACUITE A4   Downgraded   Issuer not co-operating* ( from ACUITE A4+ )
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	45.00	ACUITE C   Downgraded   Issuer not co-operating* ( from ACUITE BB+ )
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	40.00	ACUITE C   Downgraded   Issuer not co-operating* ( from ACUITE BB+ )

## Contacts

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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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