

## Press Release

H and H Precision Private Limited

February 23, 2023



### Rating Downgraded & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
<b>Bank Ratings</b> <b>Loan</b>	4.00	ACUITE B+   Downgraded & Withdrawn   Issuer not co-operating*	-
<b>Bank Ratings</b> <b>Loan</b>	22.00	-	ACUITE A4   Downgraded & Withdrawn   Issuer not co-operating*
<b>Total Outstanding Quantum</b> (Rs. Cr)	0.00	-	-
<b>Total Withdrawn Quantum</b> (Rs. Cr)	26.00	-	-

### Rating Rationale

Acuite has Downgraded & Withdrawn the long term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and the short term rating to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.26 crore bank facilities of H and H Precision Private Limited.

The rating withdrawal is in accordance with the Acuite's policy on withdrawal of rating. This rating continues to be an indicative rating and is based on best available information. The rating is being withdrawn on account of request received from the company and NOC received from the banker. The rating has been downgraded on account of information risk.

### About the Company

HH was established in 1984 as a sole proprietorship concern by Mr. Suresh Rajani. H and H Precision Private Limited was incorporated in the year 2011 by Mr. Suresh Rajani and his son Mr. Gaurav Rajani. The company was set up to take over the business of HH; however the promoters continue to operate both entities separately. The firm is based in Andheri, Mumbai. The group undertakes design, engineering, installation, commissioning and maintenance of hydraulic systems and equipment for the marine sector.

Hyprecision Hydraulik (HH) and H and H Precision Private Limited (HHPPL) are collectively referred to as the Hyprecision Group.

### 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 notcooperating”, 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). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite 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

#### **Material Covenants**

None

#### **Liquidity Position**

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

#### **Outlook:**

Not Applicable

#### **Key Financials**

The issuer has not provided the latest financials for Acuite to comment upon.

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

None

#### **Any other information**

Acuite is yet to receive No default statement (NDS) from the rated entity despite repeated requests and followups

#### **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**

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
04 Feb	Cash Credit	Long Term	4.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	1.00	ACUITE A4+ ( Issuer not co-operating*)

2022	Bank Guarantee	Short Term	20.00	ACUITE A4+ ( Issuer not co-operating*)
	Standby Line of Credit	Short Term	1.00	ACUITE A4+ ( Issuer not co-operating*)
05 Nov 2020	Bank Guarantee	Short Term	20.00	ACUITE A4+ (Issuer not co-operating*)
	Standby Line of Credit	Short Term	1.00	ACUITE A4+ (Issuer not co-operating*)
	Letter of Credit	Short Term	12.00	ACUITE A4+ (Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	1.00	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	4.00	ACUITE BB (Downgraded and Issuer not co-operating*)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	20.00	ACUITE A4   Downgraded & Withdrawn   Issuer not co-operating*
Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	1.00	ACUITE A4   Downgraded & Withdrawn   Issuer not co-operating*
Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	4.00	ACUITE B+   Downgraded & Withdrawn   Issuer not co-operating*
Bank of India	Not Applicable	Stand By Line of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	1.00	ACUITE A4   Downgraded & Withdrawn   Issuer not co-operating*

## 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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