

Press Release

Hyprecision Hydraulik

February 23, 2023



Rating Downgraded & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings Loan	3.00	ACUITE B+ Downgraded & Withdrawn Issuer not co-operating*	-
Bank Ratings Loan	14.00	-	ACUITE A4 Downgraded & Withdrawn Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	17.00	-	-

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Acuite has Downgraded & Withdrawn the long term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and the short term rating to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.17 crore bank facilities of Hyprecision Hydraulik. 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 The rating is being withdrawn on account of request received from the company and NOC received from the banker.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 Acuité's policies.

Limitation regarding information availability:

Acuité 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. This rating is therefore being flagged as "Issuer notcooperating", in line with prevailing SEBI regulations and Acuité's policies.

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, Acuité 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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
03 Feb 2022	Letter of Credit	Short Term	4.00	ACUITE A4+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	10.00	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	3.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
05 Nov 2020	Cash Credit	Long Term	0.75	ACUITE BB (Downgraded and Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	6.25	ACUITE A4+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	10.00	ACUITE A4+ (Issuer not co-operating*)
	Letter of Credit	Short Term	0.60	ACUITE A4+ (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	10.00	ACUITE A4 Downgraded & Withdrawn Issuer not co-operating*
Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	3.00	ACUITE B+ Downgraded & Withdrawn Issuer not co-operating*
Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	4.00	ACUITE A4 Downgraded & Withdrawn Issuer not co-operating*

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Radhika Kolwankar Analyst-Rating Operations Tel: 022-49294065 radhika.kolwankar@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

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.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.