

## Press Release

### VP Engineers

October 14, 2022



### Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	0.75	-	ACUITE A4   Reaffirmed   Issuer not co-operating*
Bank Loan Ratings	4.75	ACUITE B   Reaffirmed   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	5.50	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B' (read as ACUITE B)** and short-term rating of '**ACUITE A4' (read as ACUITE A four)** on the Rs. 5.50 Cr bank facilities of VP Engineers (VPE). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

### About the Company

VP Engineers (VPE), a Tamil Nadu based partnership firm was established in 2013 by Mr. N. Srinivasan and Mr. V. Balasubramanian. The firm is engaged in the manufacture of industrial products used in condensers, heat exchangers and cooling towers, among others.

### 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 non-cooperation 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). 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.

### 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

### Status of non-cooperation with previous CRA

None

### Any other information

Acuite 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
19 Jul 2021	Proposed Bank Facility	Long Term	1.35	ACUITE B ( Issuer not co-operating*)
	Bank Guarantee	Short Term	0.50	ACUITE A4 ( Issuer not co-operating*)
	Term Loan	Long Term	1.93	ACUITE B ( Issuer not co-operating*)
	Working Capital Term Loan	Long Term	0.47	ACUITE B ( Issuer not co-operating*)

	Bank Guarantee	Short Term	0.25	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	1.00	ACUITE B (Issuer not co-operating*)
20 Apr 2020	Bank Guarantee	Short Term	0.50	ACUITE A4 (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	1.35	ACUITE B (Issuer not co-operating*)
	Cash Credit	Long Term	1.00	ACUITE B (Issuer not co-operating*)
	Working Capital Term Loan	Long Term	0.47	ACUITE B (Issuer not co-operating*)
	Term Loan	Long Term	1.93	ACUITE B (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.25	ACUITE A4 (Issuer not co-operating*)
18 Feb 2019	Term Loan	Long Term	1.93	ACUITE B (Issuer not co-operating*)
	Term Loan	Long Term	0.47	ACUITE B (Issuer not co-operating*)
	Cash Credit	Long Term	1.00	ACUITE B (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.50	ACUITE A4 (Issuer not co-operating*)
	Letter of Credit	Short Term	0.25	ACUITE A4 (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	1.35	ACUITE B (Issuer not co-operating*)
10 Feb 2018	Term Loan	Long Term	1.93	ACUITE B   Stable (Assigned)
	Term Loan	Long Term	0.47	ACUITE B   Stable (Assigned)
	Cash Credit	Long Term	1.00	ACUITE B   Stable (Assigned)
	Bank Guarantee	Short Term	0.50	ACUITE A4 (Assigned)
	Letter of Credit	Short Term	0.25	ACUITE A4 (Assigned)
	Proposed Bank Facility	Long Term	1.35	ACUITE B   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
UCO Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	0.25	ACUITE A4   Reaffirmed   Issuer not co-operating*
UCO Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE A4   Reaffirmed   Issuer not co-operating*
UCO Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE B   Reaffirmed   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	1.35	ACUITE B   Reaffirmed   Issuer not co-operating*
UCO Bank	Not Applicable	Term Loan	Not available	Not available	Not available	1.93	ACUITE B   Reaffirmed   Issuer not co-operating*
UCO Bank	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	0.47	ACUITE B   Reaffirmed   Issuer not co-operating*

## Contacts

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

### 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](http://www.acuite.in)) for the latest information on any instrument rated by Acuité.