

Press Release

Precitec Precision Machineries Private Limited

April 29, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	2.79	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank Loan Ratings	6.84	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	9.63	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) to the Rs. 9.63 Cr bank facilities of Precitec Precision Machineries Private Limited (PPPL). This rating is an indicative rating and is based on the best available information.

About the Company

Incorporated in 1978, PPPL, a Bangalore (Karnataka) based company, is engaged in manufacture of special purpose machine tools includes CNC machines for metal cutting. The company was promoted by Mr. H K Sridhara. Currently, the company is led by Mr. HS Nikhila and Mr. Ravindra Sridhara (sons). PPPL mainly caters to automobile, auto components, power generation and earthmoving equipment's sectors.

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 an 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 has endeavoured 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 Sensitivities

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

Status of non-cooperation with previous CRA

None

Any other information

None

Applicable Criteria

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

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
19 Mar 2021	Letter of Credit	Short Term	0.40	ACUITE A4 (Reaffirmed)
	Working Capital Demand Loan	Long Term	1.50	ACUITE B+ Stable (Reaffirmed)
	Proposed Bank Facility	Short Term	0.39	ACUITE A4 (Reaffirmed)
	Term Loan	Long Term	0.10	ACUITE B+ (Withdrawn)
	Cash Credit	Long Term	4.50	ACUITE B+ Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	0.84	ACUITE B+ Stable (Reaffirmed)
	Bank Guarantee	Short Term	2.00	ACUITE A4 (Reaffirmed)
13 Mar 2020	Term Loan	Long Term	0.10	ACUITE B+ Stable (Reaffirmed)
	Cash Credit	Long Term	4.50	ACUITE B+ Stable (Reaffirmed)
	Proposed Bank Facility	Short Term	2.63	ACUITE A4 (Reaffirmed)
	Bank Guarantee	Short Term	2.00	ACUITE A4 (Reaffirmed)
	Letter of Credit	Short Term	0.40	ACUITE A4 (Reaffirmed)
	Term Loan	Long Term	0.00	ACUITE B+ (Withdrawn)

07 Feb 2019	Cash Credit	Long Term	3.50	ACUITE B+ Stable (Upgraded from ACUITE B- Stable)
	Bank Guarantee	Short Term	2.00	ACUITE A4 (Reaffirmed)
	Letter of Credit	Short Term	0.40	ACUITE A4 (Reaffirmed)
	Proposed Bank Facility	Short Term	3.32	ACUITE A4 (Reaffirmed)
	Term Loan	Long Term	0.06	ACUITE B+ Stable (Upgraded from ACUITE B- Stable)
	Term Loan	Long Term	0.35	ACUITE B+ Stable (Upgraded from ACUITE B- Stable)
23 Apr 2018	Term Loan	Long Term	1.08	ACUITE B- Stable (Assigned)
	Term Loan	Long Term	0.72	ACUITE B- Stable (Assigned)
	Cash Credit	Long Term	3.50	ACUITE B- Stable (Assigned)
	Letter of Credit	Short Term	0.40	ACUITE A4 (Assigned)
	Bank Guarantee	Short Term	2.00	ACUITE A4 (Assigned)
	Proposed Bank Facility	Short Term	1.93	ACUITE A4 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Canara Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4 Reaffirmed Issuer not co-operating*
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.50	ACUITE B+ Reaffirmed Issuer not co-operating*
Canara Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	0.40	ACUITE A4 Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Short Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.39	ACUITE A4 Reaffirmed Issuer not co-operating*
Canara Bank	Not Applicable	Working Capital Demand Loan (WCDL)	Not available	Not available	Not available	1.50	ACUITE B+ Reaffirmed Issuer not co-operating*
Canara Bank	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	0.84	ACUITE B+ Reaffirmed 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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