



Press Release
PRIME HITECH ENGINEERING LIMITED
February 16, 2022
Rating Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|------------------------------------|---------------------|--|--|
| Bank Loan Ratings | 11.20 | ACUITE D Reaffirmed Issuer not co-operating* | - |
| Bank Loan Ratings | 23.00 | - | ACUITE D Reaffirmed Issuer not co-operating* |
| Total Outstanding Quantum (Rs. Cr) | 34.20 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE D**' (read as **ACUITE D**) and the short-term rating of '**ACUITE D**' (read as **ACUITE D**) on the Rs. 34.20 crore bank facilities of Prime Hitech Engineering Limited (PHEL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

About the Company

PHEL, based at Naduket in Andhra Pradesh, was incorporated in April 2010 and began production in September 2013. The company is engaged in the production of transformers and solar panel parts through fabrication. The company is also engaged in the production of boring machines, which are used for heavy industrial purposes.

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.

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 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.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

Rating Sensitivity

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

Material Covenants

Not applicable.

Liquidity Position

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

Outlook

Not applicable.

Status of non-cooperation with previous CRA

CRISIL vide its press release dated 19 November 2021, has classified PHEL as 'Issuer Not Cooperating' and rated 'CRISIL D'.

Any other information

Acuité 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>

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|--------------------------------|------------|-----------------|-------------------------------------|
| 17 Nov 2020 | Cash Credit | Long Term | 11.20 | ACUITE D (Issuer not co-operating*) |
| | Letter of Credit | Short Term | 16.00 | ACUITE D (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 7.00 | ACUITE D (Issuer not co-operating*) |
| 03 Sep 2019 | Letter of Credit | Short Term | 16.00 | ACUITE D (Reaffirmed) |
| | Cash Credit | Long Term | 11.20 | ACUITE D (Reaffirmed) |
| | Bank Guarantee | Long Term | 7.00 | ACUITE D (Reaffirmed) |
| 18 Jul 2018 | Cash Credit | Long Term | 11.20 | ACUITE D (Assigned) |
| | Letter of Credit | Short Term | 16.00 | ACUITE D (Assigned) |
| | Bank Guarantee | Short Term | 7.00 | ACUITE D (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Rating |
|----------------------|----------------|------------------------------------|------------------|----------------|----------------|-------------------|--|
| Punjab National Bank | Not Applicable | Bank Guarantee/Letter of Guarantee | Not Applicable | Not Applicable | Not Applicable | 7.00 | ACUITE D Reaffirmed Issuer not co- operating* |
| Punjab National Bank | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 11.20 | ACUITE D Reaffirmed Issuer not co- operating* |
| Punjab National Bank | Not Applicable | Letter of Credit | Not Applicable | Not Applicable | Not Applicable | 16.00 | ACUITE D Reaffirmed Issuer not co- operating* |

Contacts

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|---|--|
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About Acuité Ratings & Research

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 8,850 credit 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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