

Press Release

Veera Techno Trec Private Limited

August 16, 2019

Rating Update



Total Bank Facilities Rated*	Rs.28.50Cr.#
Long Term Rating	ACUITE B+ (Downgraded from ACUITE BB- / Stable) Issuer not co-operating; Withdrawn*
Short Term Rating	ACUITE A4 Issuer not co-operating; Withdrawn*

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE B Plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and reaffirmed the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.28.50 crore bank facilities of Veera Techno Trec Private Limited (VTPL). This rating is now withdrawn and indicative and is based on best available information.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.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 downgrade is in view of intermittent irregularities in servicing working capital facilities with the banks.

Incorporated in 2003, VTPL has been taken over by Mr. Gopal Saha and Mr. Niladri Saha in 2006. It is an approved RDSO (Research and Design Standards Organization) Part - 1 supplier to Indian Railways for Switches, Switch Expansion Joints and Thick Web Switches as per Indian Railway Specs (IRS) Design. It is engaged in the manufacturing of railway track items consisting of switches and turnouts, thick web switches, glued joints, diamond crossings and spring setting device.

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 due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

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 attempts.

Status of non-cooperation with previous CRA (if applicable)

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.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
17-October-2018	Cash credit	Long term	5.00	ACUITE BB-/ Stable (Reaffirmed)
	Bank guarantee/ Letter of guarantee	Short term	10.00 (enhanced from Rs.5.00 crore)	ACUITE A4 (Reaffirmed)
	Letter of credit	Short term	3.50	ACUITE A4 (Assigned)
	Proposed bank guarantee	Short term	10.00	ACUITE A4 (Assigned)
27-September-2018	Cash credit	Long term	5.00	ACUITE BB-/ Stable (Assigned)
	Bank guarantee	Short term	5.00	ACUITE A4 (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B+ (Downgraded from ACUITE BB- / Stable) Withdrawn; Issuer not co-operating*
Bank guarantee/ Letter of guarantee	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4 Withdrawn; Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	3.50	ACUITE A4 Withdrawn; Issuer not co-operating*
Proposed bank guarantee	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4 Withdrawn; Issuer not co-operating*

*The issuer did not co-operate; based on best available information.

Contacts

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About Acuite Ratings & Research:

Acuite Ratings & Research Limited (*erstwhile SMERA Ratings 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 6,000 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 Mumbai.

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