

## Press Release

Shri Venkateswara Hi Tech Machineries Private Limited  
February 08, 2024



### Rating Reaffirmed, Withdrawn & Issuer Not Cooperating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
<b>Bank Ratings</b> <b>Loan</b>	4.76	ACUITE B+   Reaffirmed & Withdrawn   Issuer not co-operating*	-
<b>Bank Ratings</b> <b>Loan</b>	1.24	Not Applicable   Withdrawn	-
<b>Bank Ratings</b> <b>Loan</b>	3.00	-	ACUITE A4   Reaffirmed & Withdrawn   Issuer not co-operating*
<b>Total Outstanding Quantum (Rs. Cr)</b>	0.00	-	-
<b>Total Withdrawn Quantum (Rs. Cr)</b>	9.00	-	-

## Rating Rationale

Acuite has reaffirmed and withdrawn the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs 7.76 Cr bank facilities, and withdrawn the **proposed** long term facility without assigning any rating on the Rs. 1.24 Cr. of Shri Venkateshwara Hi tech Machineries Private Limited (SVHMPL).

The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

The rating has been withdrawn on Acuite's policy of withdrawal of ratings as applicable to the respective instrument/facility.

The rating has been withdrawn on account of the request received from the company, and the NOC received from the banker.

## About the Company

Established in 1990, Shri Venkateshwara Hi tech Machineries Private Limited (SVHMPL) is engaged in the business of manufacturing and supply of engineering goods. The directors of the company are Mr. T. Kalimuthu, Mr. T. Ramachandran and Mr. T. Govindaraju who have around 4 decades of experience. The entity supplies capital goods equipment's and spares to paper plants, cement plants, Indian railways and ISRO (Indian Space Research Organization) on order basis. The company is based in Coimbatore, Tamil Nadu

## Unsupported Rating

Not Applicable

## 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 not-cooperating", in line with prevailing SEBI regulations and Acuité'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). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

**Rating Sensitivity**

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

**Liquidity Position**

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

**Outlook: Not Applicable**

**Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	21.89	17.79
PAT	Rs. Cr.	2.56	0.80
PAT Margin	(%)	11.67	4.48
Total Debt/Tangible Net Worth	Times	0.22	0.17
PBDIT/Interest	Times	26.62	5.63

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

None

### 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, Acuite 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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
18 Jan 2024	Cash Credit	Long Term	4.00	ACUITE B+ ( Issuer not co-operating*)
	Proposed Bank Facility	Long Term	0.74	ACUITE B+ ( Issuer not co-operating*)
	Proposed Term Loan	Long Term	0.50	ACUITE B+ ( Issuer not co-operating*)
	Bank Guarantee	Short Term	3.00	ACUITE A4 ( Issuer not co-operating*)
	Term Loan	Long Term	0.76	ACUITE B+ ( Issuer not co-operating*)
04 Nov 2022	Proposed Term Loan	Long Term	0.50	ACUITE B+ ( Issuer not co-operating*)
	Proposed Bank Facility	Long Term	0.74	ACUITE B+ ( Issuer not co-operating*)
	Bank Guarantee	Short Term	3.00	ACUITE A4 ( Issuer not co-operating*)
	Term Loan	Long Term	0.76	ACUITE B+ ( Issuer not co-operating*)
	Cash Credit	Long Term	4.00	ACUITE B+ ( Issuer not co-operating*)
11 Aug 2021	Cash Credit	Long Term	4.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	0.74	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	0.76	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Proposed Term Loan	Long Term	0.50	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	3.00	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
Union Bank of India	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	3.00	ACUITE A4   Reaffirmed & Withdrawn   Issuer not co-operating*
Union Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	4.00	ACUITE B+   Reaffirmed & Withdrawn   Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.74	Not Applicable   Withdrawn
Not Applicable	Not avl. / Not appl.	Proposed Long Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.50	Not Applicable   Withdrawn
Union Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	15 Jul 2027	Simple	0.76	ACUITE B+   Reaffirmed & Withdrawn   Issuer not co-operating*

## Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President-Rating Operations Tel: 022-49294017 <a href="mailto:mohit.jain@acuite.in">mohit.jain@acuite.in</a>  Abhishek Singh Analyst-Rating Operations Tel: 022-49294065 <a href="mailto:abhishek.s@acuite.in">abhishek.s@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.

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