

Press Release

Rahee Track Technologies Private Limited

January 17, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	45.50		ACUITE A4+ Downgraded Issuer not co-operating*
Bank Loan Ratings	41.50	ACUITE BB+ Downgraded Issuer not co-operating*	
Total	87.00	-	-

Rating Rationale

Acuité has downgraded the long term rating to 'ACUITE BB+' (read as ACUITE double B plus) from 'ACUITE BBB-' (read as ACUITE triple B minus) and the short term rating to 'ACUITE A4+' (read as ACUITE A four plus) from 'ACUITE A3' (read as ACUITE A three) on the Rs. 87.00 crore bank facilities of Rahee Track Technologies Private Limited (RTTPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Rahee Track Technologies Private Limited (RTTPL) was incorporated in 2002 as 'Shalimar Fastenings Private Limited' by Mr. Pradeep Khaitan and Mr. Pawan Khaitan. In 2005, the company was renamed as Rahee Track Technologies Private Limited (RTTPL) and was engaged in manufacturing of turnout, rail expansion joints and glued insulated joints. The company has manufacturing facilities in Kolkata and Hyderabad. RTPPL was taken over by the Rahee Group in June 2011. Rahee Infratech Limited (Acuité BBB-/Stable/A3+), the flagship company of the Rahee Group, involved in the construction of bridges for the Indian Railways, holds a 53.98 percent stake in RTPPL.

Non-cooperation by the issuer/borrower

Acuité 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. Acuité 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 continues to be 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 Sensitivities

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

Material Covenants

No

Liquidity Position

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

Outlook

None

Key Financials

Particulars	Unit	FY 21 (Actual)	FY 20 (Actual)
Operating Income	Rs. Cr.	108.73	94.74
PAT	Rs. Cr.	7.99	4.43
PAT Margin	(%)	7.35	4.68
Total Debt/Tangible Net Worth	Times	0.69	0.64
PBDIT/Interest	Times	4.41	3.55

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>

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
21 Oct 2020	Bank Guarantee	Long Term	10.00	ACUITE A3 (Reaffirmed)
	Bank Guarantee	Short Term	35.50	ACUITE A3 (Reaffirmed)
	Proposed Long Term Loan	Long Term	4.35	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	14.00	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	3.60	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	6.55	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	13.00	ACUITE BBB- Stable (Reaffirmed)

08 Aug 2019	Bank Guarantee	Short Term	35.50	ACUITE A3 (Assigned)
	Proposed Bank Facility	Short Term	1.50	ACUITE A3 (Assigned)
	Proposed Term Loan	Long Term	4.50	ACUITE BBB- Stable (Assigned)
	Proposed Cash Credit	Long Term	4.00	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	10.00	ACUITE BBB- Stable (Assigned)
	Proposed Bank Guarantee	Short Term	10.00	ACUITE A3 (Assigned)
	Term Loan	Long Term	8.50	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	13.00	ACUITE BBB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
ICICI Bank Ltd	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	35.50	ACUITE A4+ Downgraded Issuer not co-operating*
Union Bank of India	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4+ Downgraded Issuer not co-operating*
Union Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	14.00	ACUITE BB+ Downgraded Issuer not co-operating*
ICICI Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	13.00	ACUITE BB+ Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	4.35	ACUITE BB+ Downgraded Issuer not co-operating*
Union Bank of India	Not Applicable	Term Loan	30-04-2017	12.10	31-03-2023	6.55	ACUITE BB+ Downgraded Issuer not co-operating*
Union Bank of India	Not Applicable	Term Loan	30-09-2019	11.90	31-03-2025	3.60	ACUITE BB+ Downgraded Issuer not co-operating*

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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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