



Press Release

Vishvas Power Engineering Services Private Limited
September 03, 2024

Rating Downgraded, Reaffirmed, Withdrawn & Issuer Not Cooperating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings Loan	22.41	ACUITE BB Downgraded & Withdrawn Issuer not co-operating*	-
Bank Ratings Loan	25.15	-	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	47.56	-	-

Rating Rationale

Acuite has downgraded and withdrawn its long-term rating to '**ACUITE BB**' (read as **ACUITE double B**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) and reaffirmed and withdrawn its short-term rating at '**ACUITE A4+**' (read as **ACUITE A four plus**) on Rs.47.56 Cr. bank facilities of Vishvas Power Engineering Services Private Limited (VPESPL).

The rating is now being flagged as "Issuer Not Cooperating" and is based on the best available information. The rating has been downgraded on account of information risk. The rating withdrawal is in accordance with the Acuite's policy on withdrawal of rating as applicable to the respective facility / instrument. The rating is being withdrawn on account of request received from the company and NOC received from the banker.

About the Company

The Company was incorporated in 1996 rendering services in in switch gears and transformers. Now the company is an ISO Certificate 9001-2015 approved service & manufacturing of power transformers and traction transformers for Railways and other private companies. From 2008, the company has overhauled power transformers ranging from 10 MVA- 315 MVA and majority in 132 KV – 400 KV. There are three Directors who are associated with the organization: Kiran Prabhakar Joharapurkar, Rajeev Madhukar Bhavne and Savionse Vinsent Dmello. It became a preferred company in this line of business in Maharashtra state plus other states and was awarded at Government level many times. The Company is based in Nagpur.

Unsupported Rating

Not applicable

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 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 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 has endeavoured 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.

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.	100.58	48.09
PAT	Rs. Cr.	6.98	2.68
PAT Margin	(%)	6.94	5.57
Total Debt/Tangible Net Worth	Times	0.77	0.87
PBDIT/Interest	Times	4.37	3.30

Status of non-cooperation with previous CRA

Not applicable

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 Process and Timeline: <https://www.acuite.in/view-rating-criteria-67.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité'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

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
01 Aug 2023	Letter of Credit	Short Term	4.00	ACUITE A4+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	21.15	ACUITE A4+ (Reaffirmed)
	Secured Overdraft	Long Term	12.00	ACUITE BB+ Positive (Reaffirmed)
	Term Loan	Long Term	10.41	ACUITE BB+ Positive (Reaffirmed)
05 Jul 2023	Letter of Credit	Short Term	3.00	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	1.00	ACUITE A4+ (Assigned)
	Bank Guarantee (BLR)	Short Term	12.00	ACUITE A4+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	9.15	ACUITE A4+ (Assigned)
	Secured Overdraft	Long Term	10.00	ACUITE BB+ Stable (Reaffirmed)
	Secured Overdraft	Long Term	2.00	ACUITE BB+ Stable (Assigned)
	Term Loan	Long Term	10.41	ACUITE BB+ Stable (Assigned)
05 Aug 2022	Secured Overdraft	Long Term	8.24	ACUITE BB+ Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	3.11	ACUITE BB+ Stable (Assigned)
	Letter of Credit	Short Term	2.60	ACUITE A4+ (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	11.05	ACUITE A4+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Canara Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	21.15	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Canara Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	4.00	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Canara Bank	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	12.00	ACUITE BB Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BB+)
Canara Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	10.41	ACUITE BB Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BB+)

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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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