



Press Release

TEAM HIITEC EQPT PRIVATE LIMITED (ERSTWHILE TITANIUM EQUIPMENT AND ANODE MANUFACTURING COMPANY PRIVATE LIMITED)

December 24, 2025

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	26.00	ACUITE BBB+ Negative Reaffirmed	-
Bank Loan Ratings	69.00	-	ACUITE A2 Reaffirmed
Total Outstanding Quantum (Rs. Cr)	95.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating of '**ACUITE BBB+**' (read as **ACUITE triple B plus**) and the short-term rating of '**ACUITE A2**' (read as **ACUITE A two**) on the Rs.95.00 Cr. bank facilities of Team Hiitec EQPT Private Limited (Erstwhile Titanium Equipment and Anode Manufacturing Company Private Limited) (THEPL). The outlook is revised to '**Negative**' from '**Stable**'.

Rationale for rating and negative outlook:

The negative outlook reflects the decline in operating performance during FY2025, which persisted through the first 8 months of FY2026, due to low orders inflow. Further, the reaffirmation of rating factors in the company's healthy financial risk profile marked by healthy net worth, no long term debt obligations and strong liquidity. The rating continues to draw comfort from the established operational track record and long-standing experience of the promoters in the industry. However, the rating remains constrained by the project based nature of operations and intensive working capital operations.

About the Company

Team Hiitec EQPT Private Limited (Erstwhile Titanium Equipment and Anode Manufacturing Company Private Limited), was incorporated in 1975. The company is engaged in designing and fabrication of engineering equipment, such as heat exchangers and pressure vessels. Its other business segments are ultra-filtration, and water purification and distribution. The present directors of the company are Mr. Cittur Sundar Rao Ramesh, Mr. Nitin Cowlagi Seshgiri, Mr. Suresh Krishnamurthi Rao and Mr. Ramachandran Nagarathnam. The registered office of the company is in Tamil Nadu.

Unsupported Rating

Not applicable

Analytical Approach

Acuite has taken the standalone view of the business and financial risk profile of Team Hiitec EQPT Private Limited (Erstwhile Titanium Equipment and Anode Manufacturing Company Private Limited) to arrive at the rating.

Strengths

Experienced management with an established track record of operations and reputed clientele
THEPL, incorporated in 1975, designs and fabricates engineering equipment, including high pressure titanium and stainless-steel storage tanks, vessels, and heat exchangers. The long track record of company's operations and established relationship with its reputed customer profile has helped the company in procuring repeat orders from various entities such as SRF Limited, Indian Oil Corporation Limited, Hindustan Petroleum Corporation Limited, Bharat Petroleum Corporation Limited, the Department of Atomic Energy, the Government of India, Thyssenkrupp Industrial Solutions India Private Limited, and Naval Physical amongst others. Acuite believes that THEPL's business risk profile is expected to improve further over the medium term supported by industry experience and domain knowledge of the management, long-standing relationship with its clientele, geographical reach and established track record of operations.

Healthy financial risk profile

Financial risk profile of THEPL is healthy marked by healthy net worth, low gearing and comfortable debt protection metrics. The tangible net-worth of the company stood at Rs.107.74Cr as on March 31, 2025 compared to Rs.103.56 Cr as on March 31, 2024. The improvement in net worth is due to accretion of profits to reserves. The total debt position of the company was nil as on March 31, 2025, resulting in gearing level of 0 times and healthy total outside liabilities to tangible network (TOL/TNW) 0.09 times as on March 31, 2025. The debt protection metrics remained healthy with interest coverage ratio and debt service coverage ratio (DSCR) of 15.10 times and 12.33 times respectively in FY2025 against 7.96 times of ICR and 6.52 times of DSCR in FY2024. Acuite believes, the financial risk profile of the company is expected to remain healthy over the medium term due to its healthy network and no major debt infusion for capex.

Weaknesses

Moderation in operating performance:

The company has registered revenue of Rs.74.16 Cr in FY2025, down by nearly ~40 percent compared to Rs.124.66 Cr registered during FY2024. The decline in revenue was mainly due to lower order flow on account of delays related to electoral phase. Additionally, the company registered Rs.19.76 Cr during the H1FY2026 compared to Rs.27.32 Cr registered during H1FY2025. The operating income is expected to improve to Rs.80-85 Cr by the end of year backed by addition of new orders during the end of H1FY2026. Consequently, operating profit (in absolute terms) also declined to Rs.5.22 Cr in FY2025 from Rs.9.60 Cr in FY2024. However, the margin remained stable at 7.04 percent in FY2025 compared to 7.70 percent in FY2024. Similarly, PAT declined to Rs.4.17 Cr in FY2025 from Rs.6.67 Cr in FY2024 (however, remained stable at margin level with 5.62 percent in FY2025 and 5.35 percent in FY2024). Acuite believes, the operating performance will improve in the near term due to addition of new orders.

Intensive nature of working capital operations:

The working capital operations of THEPL are intensive as evident from the Gross Current Assets (GCA) of 286 days in FY2025 compared to 222 days in FY2024. The elongation in GCA days is primarily due to stretched inventory and debtor days. The inventory days remained at 117 in FY2025 & FY2024. The receivables days stood at 101 in FY2025 compared to 108 days in FY2024. The operations of the company are project based and the gestation period is around 3-12 months due to which the work in progress inventory of the company is usually high. The company receives around 10 percent of the advance payments from the customers and the remaining is received upon completing the dispatch of the orders, however considering the longer gestation period, the balance receivables also get affected and therefore the debtors cycle remains elongated. Further, the creditors cycle of the company at 33 days during FY2025 against 25 days in FY2024. The fund based working capital limits remained unutilized over the last 12 months while non fund based limits were moderately utilized at an average of 40 percent over the past 12 months ending November 2025. Acuite believes, the

working capital operations will remain intensive over the medium term, given the inherent nature of business.

Rating Sensitivities

- Ability to improve scale of operations and profitability.
- Ability to improve working capital operations.
- Changes in financial risk profile

Liquidity position: Strong

THEPL's registered net cash accruals (NCAs) of Rs.5.82 Cr in FY2025 against nil repayment obligations. Further, the company is expected to register NCA's in the range of Rs.7-10 Cr over the medium term. The current ratio stood healthy at 9.67 times as on March 31, 2025 as against 4.21 times as on March 31, 2024 and the GCA days remained high at 286 in FY2025 against 222 days in FY2024. However, the working capital limits remained unutilized over the past 12 months ending July 2025. Further, the company has liquid investments of ~Rs.47 Cr as of March 31, 2025, which provides strong liquidity comfort. Acuite believes the liquidity position will remain strong on the back of healthy buffer available in the fund based working capital limits, liquid investments and moderate accruals generation.

Outlook: Negative

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	74.16	124.66
PAT	Rs. Cr.	4.17	6.67
PAT Margin	(%)	5.62	5.35
Total Debt/Tangible Net Worth	Times	0.00	0.03
PBDIT/Interest	Times	15.10	7.96

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

Not applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
25 Sep 2024	Letter of Credit	Short Term	5.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	20.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	24.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	15.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	5.00	ACUITE A2 (Assigned)
	Cash Credit	Long Term	5.00	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	16.00	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BBB+ Stable (Reaffirmed)
01 Nov 2023	Bank Guarantee/Letter of Guarantee	Short Term	15.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	24.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	20.00	ACUITE A2 (Reaffirmed)
	Letter of Credit	Short Term	5.00	ACUITE A2 (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	16.00	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BBB+ Stable (Reaffirmed)
18 Aug 2022	Letter of Credit	Short Term	5.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	20.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	24.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	15.00	ACUITE A2 (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	16.00	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BBB+ Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Indian Bank	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE A2 Reaffirmed
H D F C Bank Limited	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	24.00	Simple	ACUITE A2 Reaffirmed
ICICI BANK LIMITED	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE A2 Reaffirmed
Indian Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE BBB+ Negative Reaffirmed Stable to Negative
H D F C Bank Limited	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	16.00	Simple	ACUITE BBB+ Negative Reaffirmed Stable to Negative
ICICI BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE BBB+ Negative Reaffirmed Stable to Negative
Indian Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE A2 Reaffirmed

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About Acuité Ratings & Research

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