

Voltech Manufacturing Company Limited

March 03, 2023

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	11.99	CARE B+; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	13.00	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated December 28, 2021, placed the rating(s) of Voltech Manufacturing Company Limited (VMCL) under the 'issuer non-cooperating' category as VMCL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. VMCL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated November 13, 2022, February 27, 2023, February 28, 2023.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Analytical approach: Standalone

Outlook: Not Applicable

Detailed description of the key rating drivers

Please refer to PR dated [December 28, 2021](#)

Applicable criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

About the Company

VMCL incorporated in 2005, is primarily engaged in manufacturing of Power and Distribution Transformers, Switchgears, Control Relay and Panels, Valves and Flame Proof Equipment. Mr Umapathi (managing director of VMCL) started the Voltech Engineers as a proprietorship concern in 1995 and the same was incorporated as Voltech Engineers Pvt Ltd. (VEPL) in 2005. The Voltech Controls and Automation Private Limited and Voltech Tegas Valves Private Limited which were different manufacturing verticals existing as separate legal entities were amalgamated with VMCL in 2012. Till March 2014, VMCL was a subsidiary of VEPL and during 2015, the shares of VMCL was bought by the promoters and their family member.

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)
Total operating income	91.13	92.97
PBILDT	5.98	6.85
PAT	0.90	1.05
Overall gearing (times)	1.67	1.71

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)
Total operating income	91.13	92.97
Interest coverage (times)	1.37	1.68

A: Audited; Prov.: Provisional; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of the various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	5.00	CARE B+; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	March 2020	6.99	CARE B+; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	6.00	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	7.00	CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument / Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	6.99	CARE B+; ISSUER NOT COOPERATING*	-	1)CARE B+; ISSUER NOT COOPERATING*	1)CARE B+; ISSUER NOT COOPERATING*	1)CARE BB-; ISSUER NOT COOPERATING*

						(28-Dec-21)	(02-Dec-20)	(09-Sep-19)
2	Fund-based - LT-Cash Credit	LT	5.00	CARE B+; ISSUER NOT COOPERATING *	-	1)CARE B+; ISSUER NOT COOPERATING * (28-Dec-21)	1)CARE B+; ISSUER NOT COOPERATING * (02-Dec-20)	1)CARE BB-; ISSUER NOT COOPERATING * (09-Sep-19)
3	Non-fund-based - ST-Letter of credit	ST	7.00	CARE A4; ISSUER NOT COOPERATING *	-	1)CARE A4; ISSUER NOT COOPERATING * (28-Dec-21)	1)CARE A4; ISSUER NOT COOPERATING * (02-Dec-20)	1)CARE A4; ISSUER NOT COOPERATING * (09-Sep-19)
4	Non-fund-based - ST-Bank Guarantee	ST	6.00	CARE A4; ISSUER NOT COOPERATING *	-	1)CARE A4; ISSUER NOT COOPERATING * (28-Dec-21)	1)CARE A4; ISSUER NOT COOPERATING * (02-Dec-20)	1)CARE A4; ISSUER NOT COOPERATING * (09-Sep-19)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple
4	Non-fund-based - ST-Letter of credit	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

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About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

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