

Voltech Manufacturing Company Limited

May 16, 2024

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.

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated March 03, 2023, 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 January 17, 2024, January 27, 2024, February 06, 2024.

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 [March 03, 2023](#)

Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[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, 2022 (A)	March 31, 2023 (A)
Total operating income	92.97	105.56
PBILDT	6.85	7.21
PAT	1.05	1.05
Overall gearing (times)	1.71	1.35
Interest coverage (times)	1.68	1.70

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

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

Status of non-cooperation with previous CRA: Brickwork has moved the rating assigned to the bank facilities of VM into Issuer Not Cooperating category vide press release dated December 12, 2023 on account of its inability to carry out a review in the absence of the requisite information from the company.

Any other information: Not Applicable

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

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

Complexity level of 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 for the 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 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term Loan	LT	6.99	CARE B+; ISSUER NOT COOPERATING*	-	-	1)CARE B+; ISSUER NOT COOPERATING * (03-Mar-23)	1)CARE B+; ISSUER NOT COOPERATING * (28-Dec-21)
2	Fund-based - LT-Cash Credit	LT	5.00	CARE B+; ISSUER NOT COOPERATING*	-	-	1)CARE B+; ISSUER NOT COOPERATING * (03-Mar-23)	1)CARE B+; ISSUER NOT COOPERATING * (28-Dec-21)
3	Non-fund-based - ST-Letter of credit	ST	7.00	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING * (03-Mar-23)	1)CARE A4; ISSUER NOT COOPERATING * (28-Dec-21)

4	Non-fund-based - ST-Bank Guarantee	ST	6.00	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (03-Mar-23)	1)CARE A4; ISSUER NOT COOPERATING* (28-Dec-21)
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*Issuer did not cooperate; Based on best available information

LT: Long term; ST: Short term

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:

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