

Vitech Heavy Equipments Private Limited

March 23, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	24.15	CARE BB; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BB+; Stable and moved to ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	15.85	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*	Downgraded from CARE BB+; Stable / CARE A4+ and moved to 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

Vitech Heavy Equipments Private Limited (VHEPL) has not paid the surveillance fees for the rating exercise agreed to in its Rating Agreement. In line with the extant SEBI guidelines, CARE Ratings Limited's (CareEdge Ratings') rating on VHEPL's bank facilities will now be denoted as CARE BB; Stable; ISSUER NOT COOPERATING* & CARE A4; ISSUER NOT COOPERATING*.

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

For arriving at the rating of Vitech Heavy Equipments Private Limited (VHEPL), CareEdge Ratings has considered the combined business and financial profile of three entities, namely, VHEPL, Vitech Equipments Private Limited (VEPL) and Vitech Fabricators Private Limited (VFPL), collectively known as Vitech Group (VG) as these entities are commonly promoted and controlled, are operating in similar line of business and have operational as well as financial linkages.

CareEdge Ratings has downgraded VHEPL's ratings due to a moderation in scale and elongation in operating cycle during FY25. The ratings assigned to bank facilities of VHEPL remained constrained due to its moderate scale of operations, moderate financial risk profile, high working capital intensity of its operations and vulnerability of its profitability to volatility in raw material prices and stretched liquidity.

The ratings, however, derive strength from VG's experienced promoters, established track record of operations over three decades, its healthy profitability, diversified and reputed clientele.

Analytical approach: Combined

For arriving at VHEPL's credit rating, CareEdge Ratings' has taken combined view of VHEPL, VEPL and VFPL as all the entities are commonly promoted and controlled, operating in similar line of business and have operational and financial linkages.

Outlook: Stable

Detailed description of key rating drivers:

At the time of last rating on March 31, 2025, the following were the rating strengths and weaknesses (updated for the information received from VHEPL).

Key weaknesses

Moderate scale of operations

VG operates on a moderate scale within the large capital equipment segment, where its TOI is directly dependent on the inflow and execution of orders. In FY25, VG's TOI declined by 25.82% to ₹54.73 crore in FY25, compared to ₹73.78 crore in FY24.

Moderate capital structure and debt coverage indicators

VG's capital structure remained moderate marked by overall gearing of 2.33x as on March 31, 2025, with a modest net worth base of ₹25.61 crore (2.40x as on March 31, 2024).

Further, VG's total outside liabilities to total net worth (TOL/TNW) deteriorated and remained high at 3.91x in FY25 (FY24: 3.34x). Further, VG's debt coverage indicators marked by interest coverage [PBILDT/Interest] remained at 4.54x in FY25, compared to 4.65x in FY24.

Susceptibility of margins to volatility in raw material prices

VG's major raw material includes different grades of steel. The raw material cost accounts for around 55-60% of the revenue. Steel prices are driven by international demand-supply dynamics and have exhibited a volatile trend in the past thereby exposing VG's profitability to fluctuation in raw material cost.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Key strengths**Experienced promoter with long track record operations**

Founded in 1992 by Charles D'Souza, a Mechanical Engineer with over 30 years of experience in design and fabrication, VG has a long track record in the industry. The group is currently managed by his son, Vivek D'Souza. The group specializes in the design and fabrication of critical large-sized equipment, cladded and non-cladded pressure vessels, heat exchangers, skid-mounted packages, reactors, storage tanks among others.

Diversified and reputed customer base

Over the years, the group has established strong relationships with key customers, including Larsen & Toubro Limited, Aquatech Group, Technip Energies India Limited, and Desment Ballestra Group among others. While VFPL and WEPL primarily executes contracts awarded by Larsen & Toubro group and Desment Ballestra group respectively, VHEPL caters to a diverse customer base across various industries.

Healthy Profitability

VG's profitability is dependent on the type of contracts it undertakes. Contracts involving both material supply and labour typically have lower margins, while labour-only contracts, where the customer provides materials, offer higher profitability. In FY25, VG reported a PBILDT margin of 21%, compared to 14.32% in FY24. PAT margin improved in line to 7.65% in FY25, compared to 5.61% in FY24.

Liquidity: Stretched

Liquidity of VG remained stretched due to high working capital intensity in operations as reflected by operating cycle of 360 days in FY25, compared to 248 days in FY24 primarily due to elevated inventory levels. Current and Quick ratio of the company were 1.41x and 0.62x respectively in as on March 31, 2025 (1.41x and 0.53x respectively in as on March 31, 2024). VG had a cash and bank balance of ₹2.77 crore as on March 31, 2025.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[Consolidation](#)

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

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[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital Goods	Industrial Products	Iron & Steel Products

Founded in 1992, VG is engaged in business of design and fabrication of heavy equipment. VG has manufacturing facility in 75,000 sq mtr area at Shahpur, Thane and 4300 sq mtr area at Rabale, Navi Mumbai. The group has specialisation in manufacturing of Critical Large Size Equipment, Cladded/Non-Cladded Pressure Vessels, Heat Exchangers, Skid Mounted Packages, Reactors, Storage Tanks etc. and caters to diversified industries.

Brief Financials - Combined (₹ crore)	March 31, 2024 (UA)	March 31, 2025 (UA)
Total operating income	73.78	54.73
PBILDT*	10.56	11.49
Profit after tax (PAT)	4.14	4.19
Overall gearing (x)	2.40	2.33
Interest coverage (x)	4.65	4.54

A: Audited; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

Brief Financials - VHEPL (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	54.78	53.25
PBILDT*	9.68	11.45
Profit after tax (PAT)	4.01	4.56
Overall gearing (x)	4.21	3.44
Interest coverage (x)	4.81	4.91

A: Audited; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of 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 and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	10.00	CARE BB; Stable; ISSUER NOT COOPERATING*
Non-fund-based - LT/ST-Bank Guarantee		-	-	-	15.85	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*
Term Loan-Long Term		-	-	30-11-2027	14.15	CARE BB; Stable; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for 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 2025-2026	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
1	Term Loan-Long Term	LT	14.15	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable (31-Mar-25)	-	-
2	Fund-based - LT-Cash Credit	LT	10.00	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable (31-Mar-25)	-	-
3	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	15.85	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable / CARE A4+ (31-Mar-25)	-	-

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

LT: Long term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable**Annexure-4: Complexity level of instruments rated**

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

Annexure-5: Lender details

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

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

Contact us

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