

Voltech Manufacturing Company Limited

December 28, 2021

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	11.99	CARE B+; ISSUER NOT COOPERATING* (Single B Plus; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	13.00	CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	24.99 (Rs. Twenty-Four Crore and Ninety-Nine Lakhs Only)		

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated December 02, 2020, 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 October 18, 2021, October 28, 2021 and November 07, 2021.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE'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).

Detailed description of the key rating drivers

Please refer to PR dated [December 02, 2020](#)

Analytical approach: Standalone

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 (Rs. crore)	31-03-2020 (A)	31-03-2021 (A)	H1FY22(Prov.)
Total operating income	110.08	NA	NA
PBILDT	10.12	NA	NA
PAT	0.81	NA	NA
Overall gearing (times)	2.42	NA	NA
Interest coverage (times)	1.38	NA	NA

A: Audited; Prov.: Provisional; NA: Not 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: Not Applicable

Any other information: Not Applicable

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

Covenants of rated instrument/facility: Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	March 2020	6.99	CARE B+; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	5.00	CARE B+; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	7.00	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantees		-	-	-	6.00	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 (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-Term Loan	LT	6.99	CARE B+; ISSUER NOT COOPERATING*	-	1)CARE B+; ISSUER NOT COOPERATING* (02-Dec-20)	1)CARE BB-; ISSUER NOT COOPERATING* (09-Sep-19)	1)CARE BB-; ISSUER NOT COOPERATING* (25-Jun-18)
2	Fund-based - LT-Cash Credit	LT	5.00	CARE B+; ISSUER NOT COOPERATING*	-	1)CARE B+; ISSUER NOT COOPERATING* (02-Dec-20)	1)CARE BB-; ISSUER NOT COOPERATING* (09-Sep-19)	1)CARE BB-; ISSUER NOT COOPERATING* (25-Jun-18)
3	Non-fund-based - ST-Letter of credit	ST	7.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (02-Dec-20)	1)CARE A4; ISSUER NOT COOPERATING* (09-Sep-19)	1)CARE A4; ISSUER NOT COOPERATING* (25-Jun-18)
4	Non-fund-based - ST-Bank Guarantees	ST	6.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (02-Dec-20)	1)CARE A4; ISSUER NOT COOPERATING* (09-Sep-19)	1)CARE A4; ISSUER NOT COOPERATING* (25-Jun-18)

*Issuer did not cooperate; based on best available information

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

Annexure 4: Complexity level of various instruments rated for this company

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantees	Simple
4	Non-fund-based - ST-Letter of credit	Simple

Note on complexity levels of the rated instrument: CARE 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

Media Contact

Name: Mr. Mradul Mishra
Contact no.: +91-22-6837 4424
Email ID: mradul.mishra@careedge.in

Analyst Contact

Name: Mrs. Shachee Vyas
Contact no.: 079-40265665
Email ID: shachee.tripathi@careedge.in

Relationship Contact

Mr. Pradeep Kumar
Contact No.: 044-2849 0876
Email ID – pradeep.kumar@careedge.in

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