



Rating Rationale

Vijay Technocrats Pvt Ltd

06 Mar 2020

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹ 8.35 Crore of Vijay Technocrats Pvt Ltd based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is as under

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous (Oct, 2017)	Present
Fund based	8.35	8.35	Long Term	BWR BB/ Stable	BWR B+ Issuer Not Cooperating* (Downgraded)
Total	8.35	8.35	₹ Eight Crores and Thirty Five Lakhs Only		

Note: Moved to Rating Not Reviewed on 28-01-2019.

#Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

*Issuer did not cooperate; based on best available information

Details of Bank facilities are provided in Annexure - 1.

RATING ACTION

Brickwork Ratings has downgraded the rating to BWR B+ “Stable” (Issuer did not Cooperate) for the bank loan facilities of ₹ 8.35 Crores of **Vijay Technocrats Pvt Ltd.**

OUTLOOK / NATURE OF NON-COOPERATION

The rating was due for a review in Oct, 2018. BWR took up with the issuer to provide required information over emails and through telephone calls. The company was initially assigned a rating of BWR BB “Stable” in Oct, 2017 and moved to Rating Not Reviewed in Jan, 2019. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the company, BWR is unable to assess the company’s financial performance and its ability to service its debt and maintain a valid rating. The industry that the company operates in has strong demand, influencing the company's Stable Outlook.



Limitations of the rating:

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

About the Company (Information as available in Oct, 2017)

Vijay Technocrats Pvt Ltd (VTPL) is a Private Limited Company incorporated in the year 1994. The Company is managed by Director, Mr. Mahendrappa H and other director's having adequate experience in the same line of activity for more than 2 decades. The Company is engaged in manufacture and machining of grey, ductile and high chrome cast iron castings with a capacity of 6000 metric tons per annum but utilized only by 63% in FY17. The Company has their registered office & manufacturing facility at Manchenahalli post, Shimoga District of Karnataka.

It is reported that Vijay Technocrats Pvt Ltd has technical collaboration with Australian company for developing special grade high chrome casting, which is accepted globally. Company's customers are all OEM's, spread over Australia, America, Europe, UAE, Singapore, China and Malaysia. The Company has about 155 employees.

Management

The company is managed by Directors Mr. S Rudregowda, Mr.H Mahendrappa, Mr. D G Benakappa, Mr. D S Chandrashekar, Mr. N Ramachandra, Mr. D B Ashok, Mr. S R Harsha, Mr. M Raju, Mrs. Shanthamma, Mrs. Y P Sudha, Mrs. N G Suma, Mrs. Pushpa Prasanna Kumar and Mr. Siddhartha L are the Directors of the Company.

Rating History for the last three years (including withdrawn/suspended ratings)

Facility	Current Rating (2020)			Rating History		
	Type	Amount (₹ Cr)	Rating^	28.01.2019	2018	26.10.2017
Fund Based	Long Term	8.35	BWR B+ Issuer Not Cooperating* (Downgraded)	Rating Not Reviewed	Not Rated	BWR BB/ Stable
Total		8.35	₹ Eight Crores and Thirty Five Lakhs Only			

^Issuer did not cooperate; based on best available information



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

Any other information : Nil

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

For any other criteria obtain [hyperlinks](#) from website

Vijay Technocrats Pvt Ltd Annexure I

Particulars	Units	2016	2017
Net Sales/Revenues	₹ Cr	35.17	46.96
EBIDTA	₹ Cr	3.98	5.80
PAT	₹ Cr	0.81	1.85
Tangible Net Worth	₹ Cr	9.86	11.84
Total Debt : TNW	Times	0.79	0.70
Current Ratio	Times	0.86	1.01

Note: As per information available with BWR

Analytical Contacts	Investor and Media Relations
<p>Srinivasa Rao. G Primary Analyst +91 80 4040 9940 Ext: 319 srinivasarao.g@brickworkratings.com</p> <p>K Nagaraj [Assoc. Director– Ratings] +91 80 4040 9940 Ext: 372 nagaraj.ks@brickworkratings.com</p>	<p>Liena Thakur Assistant Vice President - Corporate Communications +91 84339 94686 liena.t@brickworkratings.com</p>

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1	Axis Bank, Shimoga	Term Loans	8.35	-	8.35
TOTAL					8.35

Rupees Eight Crores and Thirty Five Lakhs Only.

For print and digital media The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

About Brickwork Ratings :Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a leading public sector bank, as its promoter and strategic partner. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

DISCLAIMER Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons