

July 11, 2024

Precision Engineering Corporation: Continues to remain under issuer non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	9.00	9.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Long Term-Fund Based-Term Loan	1.08	1.08	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Short Term-Non Fund Based-Others	1.92	1.92	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Total	12.00	12.00	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Long-term and Short-term rating for the bank facilities of Precision Engineering Corporation in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Precision Engineering Corporation, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities, Key Financial Indicator: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Policy on Default Recognition
Parent/Group Support	Not Applicable
Consolidation/Standalone	Standalone

About the company

Set up in 1982 as a proprietorship firm, PEC was converted into a partnership firm in 2009. The firm is involved in the manufacturing of tubular pressure parts, steam pipe lines, bridges and structures for the Indian Railways and other engineering

products as well as execution of construction projects for thermal and cogeneration power plants. PEC has manufacturing facility in Bhilai, Chhattisgarh.

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
CRISIL	CRISIL D/CRISIL D (ISSUER NOT COOPERATING)	May 15, 2023

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2025)			Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. Crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2021	
				11-July-2024	29-May- 2023	13-Apr-2022	22-Feb-2021	
1	Cash Credit	Long Term	9.00	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	
2	Term Loan	Long Term	1.08	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	
3	Non Fund Based	Short Term	1.92	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple
Non Fund Based	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Long Term- Fund Based-Cash Credit	-	-	-	9.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Long Term-Fund Based- Term Loan	-	-	-	1.08	[ICRA]D; ISSUER NOT COOPERATING
NA	Short Term- Non Fund Based	-	-	-	1.92	[ICRA]D; ISSUER NOT COOPERATING

Source: Precision Engineering Corporation

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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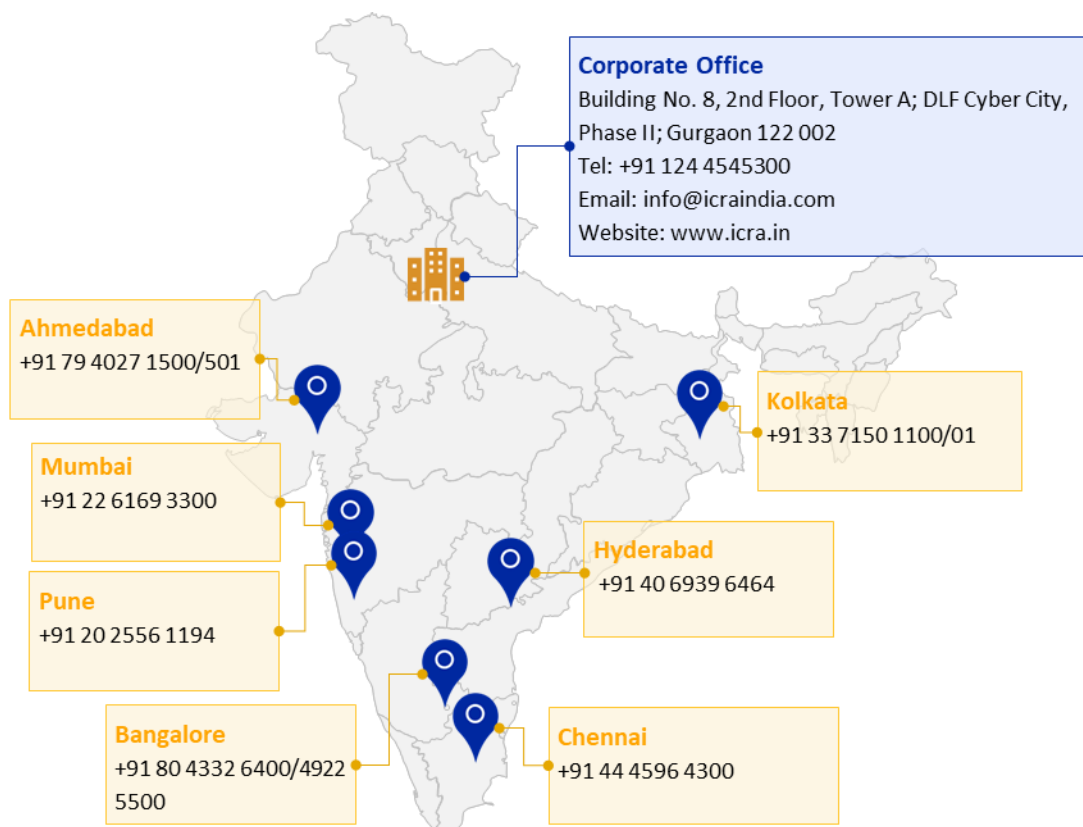


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