

## Press Release

Walvekar Brothers and Company

March 03, 2022



### Rating Downgraded & Withdrawn and Issuer not co-operating

| Product                                   | Quantum<br>(Rs. Cr) | Long Term Rating   | Short Term Rating  |
|---|---------------------|--|--|
| <b>Bank Ratings</b> <b>Loan</b>           | 2.50                | -  | ACUITE A4+   Downgraded & Withdrawn   Issuer not co-operating* |
| <b>Bank Ratings</b> <b>Loan</b>           | 25.70               | ACUITE BB+   Downgraded & Withdrawn   Issuer not co-operating* | -  |
| <b>Total Outstanding Quantum</b> (Rs. Cr) | 0.00                | -  | -  |
| <b>Total Withdrawn Quantum</b> (Rs. Cr)   | 28.20               | -  | -  |

### Rating Rationale

Acuite has downgraded & withdrawn the long-term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB**' (read as **ACUITE triple B**) and the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A2**' (read as **ACUITE A two**) on the Rs.28.20 Cr. bank facilities of Walvekar Brothers and Company (WBC). The rating is being flagged as an 'Issuer Not-Cooperating' based on the best available information.

The rating is being withdrawn on account of the request received from the company and the NOC received from the banker as per Acuite's policy on withdrawal of ratings.

### About the Company

Walvekar Brother and Company (WBC) is a Pune-based firm established in the year 1995. The firm is engaged in the distribution of IMFL (Indian-made foreign liquor) products, Beer and Imported Liquor in Pune city. WBC supplies to Liquor Shops (FL I License), Beer Shops (FL II License) and Permit Rooms (FL III License). The firm has also started the distillery operations in FY2019 by taking a factory on lease.

### About the Group

Walvekar Group (WC) is headed by Mr. Kiran Walvekar and Mr Manoj Walvekar. The group is engaged in the distribution of liquor in the Pune region. Further, it has also started the distillery operations in FY2019 by taking a factory on lease.

### **Non-cooperation by the issuer/borrower**

Acuité has been requesting for data, information, and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

### **Limitation regarding information availability**

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité has endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

### **Rating Sensitivities**

No information provided by the issuer/available for Acuité to comment upon.

### **Material Covenants**

Not Applicable

### **Liquidity Position**

No information provided by the issuer/available for Acuité to comment upon.

### **Outlook**

Not Applicable

### **Key Financials:**

The rated entity has not shared the latest financial statements despite repeated requests.

### **Status of non-cooperation with previous CRA**

Not Applicable

### **Any other information**

Not Applicable

### **Applicable Criteria**

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Trading Entity: <https://www.acuite.in/view-rating-criteria-61.htm>

### **Note on Complexity Levels of the Rated Instrument**

<https://www.acuite.in/view-rating-criteria-55.htm>

## Rating History

| Date        | Name of Instruments/Facilities | Term       | Amount (Rs. Cr) | Rating/Outlook                     |
|-------------|--------------------------------|------------|-----------------|------------------------------------|
| 21 Dec 2020 | Bank Guarantee                 | Short Term | 2.50            | ACUITE A2 (Reaffirmed)             |
|             | Term Loan                      | Long Term  | 5.20            | ACUITE BBB   Stable (Assigned)     |
|             | Cash Credit                    | Long Term  | 20.50           | ACUITE BBB   Stable (Reaffirmed)   |
| 01 Mar 2019 | Cash Credit                    | Long Term  | 14.00           | ACUITE BBB   Positive (Reaffirmed) |
|             | Bank Guarantee                 | Short Term | 2.06            | ACUITE A2 (Reaffirmed)             |
| 22 Dec 2017 | Cash Credit                    | Long Term  | 14.00           | ACUITE BBB   Positive (Reaffirmed) |
|             | Bank Guarantee                 | Short Term | 2.06            | ACUITE A2 (Assigned)               |
| 02 Sep 2016 | Cash Credit                    | Long Term  | 12.00           | ACUITE BBB   Positive (Reaffirmed) |
| 28 Jul 2015 | Cash Credit                    | Long Term  | 12.00           | ACUITE BBB   Stable (Assigned)     |

## Annexure - Details of instruments rated

| Lender's Name       | ISIN           | Facilities                         | Date Of Issuance | Coupon Rate    | Maturity Date  | Quantum (Rs. Cr.) | Rating  |
|---------------------|----------------|------------------------------------|------------------|----------------|----------------|-------------------|---|
| Bank of Maharashtra | Not Applicable | Bank Guarantee/Letter of Guarantee | Not Applicable   |                | Not Applicable | 2.50              | ACUITE A4+<br> <br>Downgraded & Withdrawn<br>  Issuer not co-operating* ( from ACUITE A2 )  |
| Bank of Maharashtra | Not Applicable | Cash Credit                        | Not Applicable   | Not Applicable | Not Applicable | 20.50             | ACUITE BB+<br> <br>Downgraded & Withdrawn<br>  Issuer not co-operating* ( from ACUITE BBB ) |
| Bank of Maharashtra | Not Applicable | Term Loan                          | 30-03-2020       | 10.00          | 30-03-2027     | 5.20              | ACUITE BB+<br> <br>Downgraded & Withdrawn<br>  Issuer not co-operating* ( from ACUITE BBB ) |

## Contacts

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|--|--|
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### About Acuité Ratings & Research

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 8,850 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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