

Press Release

Greatweld Engineering Private Limited

July 20, 2022



Rating Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|------------------------------------|---------------------|--|---|
| Bank Loan Ratings | 18.00 | - | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Bank Loan Ratings | 26.00 | ACUITE C Reaffirmed Issuer not co-operating* | - |
| Total Outstanding Quantum (Rs. Cr) | 44.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE C**' (read as **ACUITE C**) and the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.44.00 crore bank facilities of Greatweld Engineering Private Limited (GEPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

GEPL, (erstwhile Greatweld Steel Grating Private Limited) was established in 2006, under the directorship of Mr. Rakesh Rajan, Mr. Suhas Baddi, Mr. Ravindra Mule and Mr. Sateesh Rane in Pune. The company currently manufactures Mild Steel (MS) gratings and hand rails used in engineering, refineries, cement and other industries related to infrastructure. Going forward, it plans to manufacture valves.

Non-cooperation by the issuer/borrower:

Acuite 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.

Acuite 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.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

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). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

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

Rating Sensitivity

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

Material Covenants

Not Applicable

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Status of non-cooperation with previous CRA

None

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.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 Apr 2021 | Proposed Cash Credit | Long Term | 2.00 | ACUITE C (Issuer not co-operating*) |
| | Proposed Term Loan | Long Term | 8.00 | ACUITE C (Issuer not co-operating*) |
| | Cash Credit | Long Term | 16.00 | ACUITE C (Issuer not co-operating*) |
| | Letter of Credit | Short Term | 13.00 | ACUITE A4 (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 5.00 | ACUITE A4 (Issuer not co-operating*) |
| 22 Jan 2020 | Letter of Credit | Short Term | 13.00 | ACUITE A4 (Issuer not co-operating*) |
| | Proposed Cash Credit | Long Term | 2.00 | ACUITE C (Issuer not co-operating*) |
| | Cash Credit | Long Term | 16.00 | ACUITE C (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 5.00 | ACUITE A4 (Issuer not co-operating*) |
| | Proposed Term Loan | Long Term | 8.00 | ACUITE C (Issuer not co-operating*) |
| | Proposed Cash Credit | Long Term | 2.00 | ACUITE BB- (Issuer not co-operating*) |

| | | | | |
|-------------|-------------------------|------------|-------|---------------------------------------|
| 03 Jan 2020 | Letter of Credit | Short Term | 13.00 | ACUITE A4 (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 5.00 | ACUITE A4 (Issuer not co-operating*) |
| | Proposed Term Loan | Long Term | 8.00 | ACUITE BB- (Issuer not co-operating*) |
| | Cash Credit | Long Term | 16.00 | ACUITE BB- (Issuer not co-operating*) |
| 03 Oct 2018 | Cash Credit | Long Term | 16.00 | ACUITE BB- (Issuer not co-operating*) |
| | Letter of Credit | Short Term | 13.00 | ACUITE A4 (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 5.00 | ACUITE A4 (Issuer not co-operating*) |
| | Proposed Cash Credit | Long Term | 2.00 | ACUITE BB- (Issuer not co-operating*) |
| | Proposed Term Loan | Long Term | 8.00 | ACUITE BB- (Issuer not co-operating*) |
| 26 May 2017 | Cash Credit | Long Term | 16.00 | ACUITE BB- (Issuer not co-operating*) |
| | Letter of Credit | Short Term | 13.00 | ACUITE A4 (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 5.00 | ACUITE A4 (Issuer not co-operating*) |
| | Proposed Long Term Loan | Long Term | 8.00 | ACUITE BB- (Issuer not co-operating*) |
| | Proposed Cash Credit | Long Term | 2.00 | ACUITE BB- (Issuer not co-operating*) |
| | Cash Credit | Long Term | 16.00 | ACUITE BB- Stable (Assigned) |
| | | Short | | |
| 17 Feb 2016 | Letter of Credit | Term | 13.00 | ACUITE A4 (Assigned) |
| | Bank Guarantee | Short Term | 5.00 | ACUITE A4 (Assigned) |
| | Proposed Cash Credit | Long Term | 2.00 | ACUITE BB- Stable (Assigned) |
| | Proposed Long Term Loan | Long Term | 8.00 | ACUITE BB- Stable (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Rating |
|----------------|----------------|------------------------------------|------------------|----------------|----------------|-------------------|--|
| Canara Bank | Not Applicable | Bank Guarantee/Letter of Guarantee | Not Applicable | Not Applicable | Not Applicable | 5.00 | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Canara Bank | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 16.00 | ACUITE C Reaffirmed Issuer not co-operating* |
| Canara Bank | Not Applicable | Letter of Credit | Not Applicable | Not Applicable | Not Applicable | 13.00 | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Not Applicable | Not Applicable | Proposed Cash Credit | Not Applicable | Not Applicable | Not Applicable | 2.00 | ACUITE C Reaffirmed Issuer not co-operating* |
| Not Applicable | Not Applicable | Proposed Term Loan | Not Applicable | Not Applicable | Not Applicable | 8.00 | ACUITE C Reaffirmed Issuer not co-operating* |

Contacts

| Analytical | Rating Desk |
|---|--|
| Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Radhika Kolwankar Junior Analyst-Rating Operations Tel: 022-49294065 radhika.kolwankar@acuite.in | Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in |

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.