

Press Release

Pan India Utilities Distribution Company Limited

April 02, 2020



Rating Update

| | |
|-------------------------------------|---|
| Total Bank Facilities Rated# | Rs.335.00 Cr. |
| Long Term Rating | ACUITE D (Downgraded from ACUITE BB) Issuer not co-operating* |

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE D** (read as **ACUITE D**) from '**ACUITE BB** (read as **ACUITE double B**) on the Rs.335.00 crore bank facilities of Pan India Utilities Distribution Company Limited (PIUDCL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of significant liquidity pressure faced by the Essel Group and information available on public domain.

Pan India Utilities Distribution Company Limited (PIUDCL), incorporated in 2012, is a Mumbai-based EPC contractor for Essel group's wind and solar power projects. The company is a wholly owned subsidiary of Pan India Infra projects Private Limited (PIIPL) and part of the Essel Group promoted by Mr. Subash Chandra. As per the arrangement, the SPVs of Essel Infra projects Limited (EIL), a flagship company of the Essel group in the infrastructure sector, will bid for projects. The awarded projects will be subcontracted (entire or part of it) to PIUDCL which in turn will subcontract to third parties.

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 due date.

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

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-51.htm>

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 endeavoured 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.

About the Rated Entity - Key Financials

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

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

None

Any other information

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

Rating History (Upto last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr.) | Ratings/Outlook |
|--------------|---------------------------------|-----------|------------------|---|
| 22-May-2019 | Term Loan | Long Term | 215.00 | ACUITE BB (Indicative) |
| | Term Loan | Long Term | 120.00 | ACUITE BB (Indicative) |
| 30-Jan-2019 | Term Loan | Long Term | 215.00 | ACUITE BBB (Under rating watch with negative implications) |
| | Term Loan | Long Term | 120.00 | ACUITE BBB (Under rating watch with negative implications) |
| 23-Nov-2018 | Term Loan | Long Term | 215.00 | ACUITE BBB (Under rating watch with developing implications) |
| | Term Loan | Long Term | 120.00 | ACUITE BBB (Under rating watch with developing implications) |
| 30-Dec-2017 | Term Loan | Long Term | 215.00 | ACUITE BBB/ Stable (Reaffirmed) |
| | Term Loan | Long Term | 120.00 | ACUITE BBB/ Stable (Reaffirmed) |
| 6-April-2017 | Term Loan | Long Term | 215.00 | ACUITE BBB/ Stable (Assigned) |

#Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Crore) | Ratings/Outlook |
|------------------------|------------------|----------------|---------------|-------------------------------|---|
| Term Loan | Not Available | Not Applicable | Not Available | 215.00 | ACUITE D (Downgraded from ACUITE BB) Issuer not co-operating* |
| Term Loan | Not Available | Not Applicable | Not Available | 120.00 | ACUITE D (Downgraded from ACUITE BB) Issuer not co-operating* |

*The issuer did not co-operate; Based on best available information

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings 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 6,000 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 Mumbai.

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