

Press Release

Phoenix Structural And Engineering Private Limited

August 09, 2022



Rating Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|------------------------------------|---------------------|---|---|
| Bank Loan Ratings | 0.50 | - | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Bank Loan Ratings | 12.79 | ACUITE B+ Reaffirmed Issuer not co-operating* | - |
| Total Outstanding Quantum (Rs. Cr) | 13.29 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.13.29 crore bank facilities of Phoenix Structural And Engineering Private Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

PSEPL is a Nagpur based company incorporated in 2007 and promoted by Nagpur based Patil family. PESPL is engaged in manufacturing, fabrication and galvanisation of steel structure towers and power transmission towers. The company commenced its operations in 2011 and is presently managed by Mr. Sunil Patil, his wife Mrs. Prema Patil and their son, Mr. Varun Patil. The company derives around 85 percent of its revenue from manufacturing activity and remaining from job work activity.

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

Status of non-cooperation with previous CRA

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.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.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 |
|-------------|--------------------------------|------------|-----------------|--------------------------------------|
| 11 May 2021 | Proposed Long Term Loan | Long Term | 2.89 | ACUITE B+ (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 0.50 | ACUITE A4 (Issuer not co-operating*) |
| | Cash Credit | Long Term | 9.00 | ACUITE B+ (Issuer not co-operating*) |
| | Term Loan | Long Term | 0.90 | ACUITE B+ (Issuer not co-operating*) |
| 27 Feb 2020 | Cash Credit | Long Term | 9.00 | ACUITE B+ (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 0.50 | ACUITE A4 (Issuer not co-operating*) |
| | Proposed Long Term Loan | Long Term | 2.89 | ACUITE B+ (Issuer not co-operating*) |
| | Term Loan | Long Term | 0.90 | ACUITE B+ (Issuer not co-operating*) |
| 27 Dec 2018 | Cash Credit | Long Term | 9.00 | ACUITE B+ (Issuer not co-operating*) |
| | Term Loan | Long Term | 0.90 | ACUITE B+ (Issuer not co-operating*) |
| | Proposed Long Term Loan | Long Term | 2.89 | ACUITE B+ (Issuer not co-operating*) |

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|-------------|-------------------------|------------|------|--------------------------------------|
| | Bank Guarantee | Short Term | 0.50 | ACUITE A4 (Issuer not co-operating*) |
| 13 Dec 2017 | Cash Credit | Long Term | 9.00 | ACUITE B+ Stable (Assigned) |
| | Term Loan | Long Term | 0.90 | ACUITE B+ Stable (Assigned) |
| | Bank Guarantee | Short Term | 0.50 | ACUITE A4 (Assigned) |
| | Proposed Long Term Loan | Long Term | 2.89 | ACUITE B+ Stable (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Rating |
|---------------------|----------------|-------------------------|------------------|----------------|----------------|-------------------|---|
| Union Bank of India | Not Applicable | Bank Guarantee (BLR) | Not Applicable | Not Applicable | Not Applicable | 0.50 | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Union Bank of India | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 9.00 | ACUITE B+ Reaffirmed Issuer not co-operating* |
| Not Applicable | Not Applicable | Proposed Long Term Loan | Not Applicable | Not Applicable | Not Applicable | 2.89 | ACUITE B+ Reaffirmed Issuer not co-operating* |
| Union Bank of India | Not Applicable | Term Loan | Not available | Not available | Not available | 0.90 | ACUITE B+ Reaffirmed Issuer not co-operating* |

Contacts

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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.

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