

Press Release

Arwade Infrastructure Limited

October 13, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	11.00	ACUITE B+ Downgraded Issuer not co-operating*	-
Bank Loan Ratings	50.00	-	ACUITE A4 Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	61.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded its long term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and short term rating to '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A3**' (read as **ACUITE A three**) on the Rs.61.00 crore bank facilities of Arwade Infrastructure Ltd. (AIL). This rating is now an indicative rating and is based on best available information. Rating has been downgraded on account of information risk.

About the Company

Incorporated in 2009, Pune-based AIL is engaged in industrial construction. The key business activities of AIL includes EPC work pertaining to heating, ventilation and air conditioning (HVAC), firefighting, transmission & distribution, electrical installations and civil work for industrial facilities. AIL is promoted by Mr. Subhash Arwade, Mrs. Soniya Arwade and Mr. Nitin Arwade.

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 due date. Acuite 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. 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 endeavoured 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.

Rating Sensitivities

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

Material Covenants

None.

Liquidity Position

No information provided by the issuer / available for Acuite 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

INC from CARE wide Press Release dated 18th November 2021 describing rating as CARE BB/ Stable / A4 INC.

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

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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
26 Jul 2021	Bank Guarantee	Short Term	50.00	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	11.00	ACUITE BBB- Stable (Reaffirmed)
22 Mar 2021	Cash Credit	Long Term	11.00	ACUITE BBB- Stable (Reaffirmed)
	Bank Guarantee	Short Term	34.00	ACUITE A3 (Reaffirmed)
18 Feb 2020	Bank Guarantee	Short Term	34.00	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	11.00	ACUITE BBB- Stable (Reaffirmed)
04 Dec 2018	Cash Credit	Long Term	11.00	ACUITE BBB- Stable (Reaffirmed)
	Bank Guarantee	Short Term	34.00	ACUITE A3 (Reaffirmed)
20 Dec 2017	Cash Credit	Long Term	6.00	ACUITE BBB- Stable (Assigned)
	Proposed Bank Facility	Long Term	2.00	ACUITE BBB- Stable (Assigned)
	Bank Guarantee	Short Term	20.00	ACUITE A3 (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	Not Applicable	34.00	ACUITE A4 Downgraded Issuer not co-operating*
Bank of Maharashtra	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	16.00	ACUITE A4 Downgraded Issuer not co-operating*
Bank of Maharashtra	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	11.00	ACUITE B+ Downgraded 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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