

Press Release

Adwalpalkar Constructions And Resorts Private Limited

April 05, 2023



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	55.00	ACUITE BB- Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	3.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	58.00	-	-

Rating Rationale

Acuité has reaffirmed the long-term rating of '**ACUITE BB-**' (read as **ACUITE double B minus**) and the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.58.00 Cr. bank facilities of Adwalpalkar Construction and Resorts Private Limited (ACRPL). The rating is being flagged as an 'Issuer Not-Cooperating' based on the best available information.

About the Company

Incorporated in 2010 at Goa, Adwalpalkar Constructions And Resorts Private Limited (ACRPL) was promoted by Mr. Mahesh Adwalpalkar, Mrs. Jyoti Adwalpalkar, and Mr. Shripad Adwalpalkar. The company is engaged in the construction of commercial and residential properties along with running a chain of hotels with the brand name of 'Sinq' in Goa.

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 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 Acuité'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). 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 Sensitivity

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.

Other Factors affecting Rating

Not Applicable.

Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	111.60	50.00
PAT	Rs. Cr.	17.69	(12.39)
PAT Margin	(%)	15.85	(24.77)
Total Debt/Tangible Net Worth	Times	2.30	3.55
PBDIT/Interest	Times	5.32	(0.08)

Status of non-cooperation with previous CRA

Not Applicable.

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

- 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>
- Real Estate Entities: <https://www.acuite.in/view-rating-criteria-63.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
05 Jan 2022	Dropline Overdraft	Long Term	9.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Dropline Overdraft	Long Term	6.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Secured Overdraft	Long Term	3.90	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Secured Overdraft	Long Term	0.98	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	6.53	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	2.48	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	1.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Secured Overdraft	Long Term	11.07	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	3.00	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	13.08	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	0.96	ACUITE BB- (Downgraded and Issuer not co-operating*)
19 Jun 2020	Term Loan	Long Term	6.53	ACUITE BB Stable (Assigned)
	Secured Overdraft	Long Term	11.07	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	13.08	ACUITE BB Stable (Reaffirmed)
	Bank Guarantee	Short Term	3.00	ACUITE A4+ (Reaffirmed)
	Term Loan	Long Term	2.48	ACUITE BB Stable (Assigned)
	Dropline Overdraft	Long Term	6.00	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	1.00	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	0.96	ACUITE BB Stable (Assigned)
	Secured Overdraft	Long Term	3.90	ACUITE BB Stable (Assigned)
	Secured Overdraft	Long Term	0.98	ACUITE BB Stable (Assigned)
	Dropline Overdraft	Long Term	9.00	ACUITE BB Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Union Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	3.00	ACUITE A4 Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Dropline Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	6.00	ACUITE BB- Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Dropline Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	9.00	ACUITE BB- Reaffirmed Issuer not co-operating*
Union Bank of India	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	11.07	ACUITE BB- Reaffirmed Issuer not co-operating*
Saraswat Bank	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	0.98	ACUITE BB- Reaffirmed Issuer not co-operating*
South Indian Bank	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	3.90	ACUITE BB- Reaffirmed Issuer not co-operating*
NKGSB Cooperative Bank Ltd	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	6.53	ACUITE BB- Reaffirmed Issuer not co-operating*
South Indian Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	1.00	ACUITE BB- Reaffirmed Issuer not co-operating*
Union Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	0.96	ACUITE BB- Reaffirmed Issuer not co-

								operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	2.48	ACUITE BB- Reaffirmed Issuer not co-operating*
Saraswat Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	13.08	ACUITE BB- Reaffirmed Issuer not co-operating*

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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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