

Press Release

Walchandnagar Industries Limited

July 05, 2022



Rating Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|------------------------------------|------------------|--|---|
| Bank Loan Ratings | 242.00 | ACUITE C Reaffirmed Issuer not co-operating* | - |
| Bank Loan Ratings | 594.11 | - | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Total Outstanding Quantum (Rs. Cr) | 836.11 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE C**' (read as **ACUITE C**) and short-term rating at '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.836.11 Cr bank facilities of Walchandnagar Industries Limited (WIL). The rating is flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Mumbai based Walchandnagar Industries Limited (WIL) is an ISO 9001:2015 certified company with global presence and diversified business portfolio in Projects, Products and High-tech Manufacturing. Incorporated in 1908, WIL has a long track record of operations for over 100 years. WIL has been engaged into EPC of sugar mills, nuclear power plants and fabrication and heavy engineering segments like Defence, Nuclear, Aerospace and Missiles (DNAM). WIL has a strong customer base. WIL is a listed company on the BSE and NSE stock exchanges in India.

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 noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is 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, Acuité 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

Not applicable.

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

None.

Any other information

None.

Applicable Criteria

- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.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 |
|-------------|--------------------------------|------------|-----------------|---|
| 06 Apr 2021 | Working Capital Demand Loan | Long Term | 13.50 | ACUITE C (Downgraded from ACUITE BB Negative) |
| | Cash Credit | Long Term | 85.00 | ACUITE C (Downgraded from ACUITE BB Negative) |
| | Cash Credit | Long Term | 135.00 | ACUITE C (Downgraded from ACUITE BB Negative) |
| | Bank Guarantee | Short Term | 300.00 | ACUITE A4 (Downgraded from ACUITE A4+) |
| | Letter of Credit | Short Term | 40.00 | ACUITE A4 (Downgraded from ACUITE A4+) |
| | Working Capital Demand Loan | Long Term | 8.50 | ACUITE C (Downgraded from ACUITE BB Negative) |
| | Bank Guarantee | Short Term | 254.11 | ACUITE A4 (Downgraded from ACUITE A4+) |

| | | | | |
|-------------|-----------------------------|------------|--------|---|
| 16 Mar 2021 | Cash Credit | Long Term | 85.00 | ACUITE BB Negative (Reaffirmed) |
| | Working Capital Demand Loan | Long Term | 8.50 | ACUITE BB Negative (Assigned) |
| | Letter of Credit | Short Term | 40.00 | ACUITE A4+ (Reaffirmed) |
| | Cash Credit | Long Term | 135.00 | ACUITE BB Negative (Reaffirmed) |
| | Working Capital Demand Loan | Long Term | 13.50 | ACUITE BB Negative (Assigned) |
| | Bank Guarantee | Short Term | 254.11 | ACUITE A4+ (Reaffirmed) |
| | Bank Guarantee | Short Term | 300.00 | ACUITE A4+ (Reaffirmed) |
| 29 Nov 2019 | Cash Credit | Long Term | 85.00 | ACUITE BB Negative (Downgraded from ACUITE BBB- Negative) |
| | Cash Credit | Long Term | 135.00 | ACUITE BB Negative (Downgraded from ACUITE BBB- Negative) |
| | Letter of Credit | Short Term | 45.00 | ACUITE A4+ (Downgraded from ACUITE A3) |
| | Bank Guarantee | Short Term | 325.00 | ACUITE A4+ (Downgraded from ACUITE A3) |
| | Letter of Credit | Short Term | 45.00 | ACUITE A4+ (Downgraded from ACUITE A3) |
| | Bank Guarantee | Short Term | 300.00 | ACUITE A4+ (Downgraded from ACUITE A3) |
| 16 Aug 2019 | Cash Credit | Long Term | 135.00 | ACUITE BBB- Negative (Reaffirmed) |
| | Letter of Credit | Short Term | 45.00 | ACUITE A3 (Reaffirmed) |
| | Bank Guarantee | Short Term | 300.00 | ACUITE A3 (Reaffirmed) |
| | Bank Guarantee | Short Term | 325.00 | ACUITE A3 (Reaffirmed) |
| | Letter of Credit | Short Term | 45.00 | ACUITE A3 (Reaffirmed) |
| | Cash Credit | Long Term | 85.00 | ACUITE BBB- Negative (Reaffirmed) |
| 10 Oct 2018 | Cash Credit | Long Term | 135.00 | ACUITE BBB- Stable (Assigned) |
| | Cash Credit | Long Term | 85.00 | ACUITE BBB- Stable (Assigned) |
| | Letter of Credit | Short Term | 45.00 | ACUITE A3 (Assigned) |
| | Bank Guarantee | Short Term | 300.00 | ACUITE A3 (Assigned) |
| | Letter of Credit | Short Term | 45.00 | ACUITE A3 (Assigned) |
| | Bank Guarantee | Short Term | 325.00 | ACUITE A3 (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Rating |
|---------------------|----------------|-------------------------------------|------------------|----------------|----------------|-------------------|--|
| State Bank of India | Not Applicable | Bank Guarantee/Letter of Guarantee | Not Applicable | Not Applicable | Not Applicable | 300.00 | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Bank of India | Not Applicable | Bank Guarantee/Letter of Guarantee | Not Applicable | Not Applicable | Not Applicable | 254.11 | ACUITE A4 Reaffirmed Issuer not co-operating* |
| State Bank of India | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 135.00 | ACUITE C Reaffirmed Issuer not co-operating* |
| Bank of India | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 85.00 | ACUITE C Reaffirmed Issuer not co-operating* |
| Bank of India | Not Applicable | Letter of Credit | Not Applicable | Not Applicable | Not Applicable | 40.00 | ACUITE A4 Reaffirmed Issuer not co-operating* |
| State Bank of India | Not Applicable | Working Capital Demand Loan (WC DL) | 01-03-2020 | 7.00 | 01-05-2022 | 13.50 | ACUITE C Reaffirmed Issuer not co-operating* |
| Bank of India | Not Applicable | Working Capital Demand Loan (WC DL) | 01-05-2020 | 7.95 | 01-04-2022 | 8.50 | ACUITE C 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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