

## Press Release

Pace Digitek Infra Private Limited (Erstwhile Pace Power Systems Private Limited)

September 14, 2022



### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	110.41	ACUITE BB+   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	333.21	-	ACUITE A4+   Downgraded   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	443.62	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB+**' (read as **ACUITE triple B plus**) and short term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A2**' (read as **ACUITE A two**) on the Rs.443.62 Cr bank facilities of Pace Digitek Infra Private Limited (PDIPL). This rating is downgraded on the account of information risk, and it is now flagged as issuer not cooperating which is based on the best available information.

### About the Company

Bangalore-based, Pace Group's flagship company, PDIPL, promoted by Mr. Venugopal Rao was set up in 2007. PDIPL supply, installs, and maintains AC power equipment for telecom towers and also undertakes O&M of telecom towers. Another major chunk of their business is electrical business where they are into infrastructure development for the rural electrification projects which is in the state of Jharkhand, UP & Bihar. The group has diversified into a vast category of infrastructure sector in FY2021.

### 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 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

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the absence of information provided by the issuer / borrower). Acuité 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

None

### Liquidity Position

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

### Outlook

Not Applicable

### Other Factors affecting Rating

None

### Key Financials:

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

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

None

### 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>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.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
	Proposed Bank Facility	Long Term	43.71	ACUITE BBB+ (Withdrawn)
	Proposed Bank Guarantee	Short Term	14.00	ACUITE A2 (Withdrawn)
	Term Loan	Long Term	41.69	ACUITE BBB+   Stable (Reaffirmed)
	Proposed Cash Credit	Long Term	116.87	ACUITE BBB+ (Withdrawn)
	Term Loan	Long Term	41.69	ACUITE BBB+ (Withdrawn)

25 Jun 2021	Proposed Term Loan	Long Term	113.00	ACUITE BBB+ (Withdrawn)
	Term Loan	Long Term	2.72	ACUITE BBB+   Stable (Reaffirmed)
	Bank Guarantee	Short Term	323.21	ACUITE A2 (Reaffirmed)
	Letter of Credit	Short Term	10.00	ACUITE A2 (Reaffirmed)
	Cash Credit	Long Term	55.00	ACUITE BBB+   Stable (Reaffirmed)
	Term Loan	Long Term	11.00	ACUITE BBB+   Stable (Reaffirmed)
10 Jun 2021	Proposed Cash Credit	Long Term	116.87	ACUITE BBB+   Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	43.71	ACUITE BBB+   Stable (Assigned)
	Cash Credit	Long Term	54.00	ACUITE BBB+ (Withdrawn)
	Letter of Credit	Short Term	10.00	ACUITE A2 (Reaffirmed)
	Term Loan	Long Term	11.00	ACUITE BBB+   Stable (Reaffirmed)
	Term Loan	Long Term	41.69	ACUITE BBB+   Stable (Assigned)
	Proposed Bank Guarantee	Short Term	14.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee	Short Term	36.00	ACUITE A2 (Withdrawn)
	Cash Credit	Long Term	55.00	ACUITE BBB+   Stable (Reaffirmed)
	Bank Guarantee	Short Term	273.21	ACUITE A2 (Reaffirmed)
	Proposed Term Loan	Long Term	113.00	ACUITE BBB+   Stable (Reaffirmed)
	Term Loan	Long Term	2.72	ACUITE BBB+   Stable (Assigned)
	Term Loan	Long Term	41.69	ACUITE BBB+   Stable (Reaffirmed)
	Term Loan	Long Term	2.12	ACUITE BBB+   Stable (Reaffirmed)
13 Mar 2020	Cash Credit	Long Term	109.00	ACUITE BBB+   Stable (Reaffirmed)
	Bank Guarantee	Short Term	301.21	ACUITE A2 (Reaffirmed)
	Proposed Cash Credit	Long Term	116.87	ACUITE BBB+   Stable (Reaffirmed)
		Long Term		ACUITE BBB+   Stable (Reaffirmed)
	Working Capital Term Loan	Term	41.69	ACUITE BBB+   Stable (Reaffirmed)
	Proposed Term Loan	Long Term	113.00	ACUITE BBB+   Stable (Reaffirmed)
	Letter of Credit	Short Term	25.00	ACUITE A2 (Reaffirmed)
	Proposed Bank Guarantee	Short Term	14.00	ACUITE A2 (Reaffirmed)
	Term Loan	Long Term	2.12	ACUITE BBB+   Stable (Reaffirmed)
	Cash Credit	Long Term	109.00	ACUITE BBB+   Stable (Reaffirmed)
	Bank Guarantee	Short Term	301.21	ACUITE A2 (Reaffirmed)

02 Jan 2019	Proposed Cash Credit	Long Term	116.87	ACUITE BBB+   Stable (Reaffirmed)
	Letter of Credit	Short Term	25.00	ACUITE A2 (Reaffirmed)
	Proposed Term Loan	Long Term	113.00	ACUITE BBB+   Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	41.69	ACUITE BBB+   Stable (Assigned)
	Proposed Bank Guarantee	Short Term	14.00	ACUITE A2 (Assigned)
21 Nov 2017	Term Loan	Long Term	3.57	ACUITE BBB+   Stable (Assigned)
	Proposed Term Loan	Long Term	51.00	ACUITE BBB+   Stable (Assigned)
	Proposed Long Term Loan	Long Term	2.32	ACUITE BBB+   Stable (Assigned)
	Bank Guarantee	Short Term	255.00	ACUITE A2 (Assigned)
	Letter of Credit	Short Term	30.00	ACUITE A2 (Assigned)
	Cash Credit	Long Term	55.00	ACUITE BBB+   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Canara Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	323.21	ACUITE A4+   Downgraded   Issuer not co-operating* (from ACUITE A2 )
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	55.00	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE BBB+ )
Canara Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4+   Downgraded   Issuer not co-operating* (from ACUITE A2 )
Canara Bank	Not Applicable	Term Loan	23-06-2020	10.20	31-03-2026	2.72	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE BBB+ )
Canara Bank	Not Applicable	Term Loan	23-07-2018	10.50	30-09-2029	41.69	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE BBB+ )
Canara Bank	Not Applicable	Term Loan	01-08-2014	15.50	31-08-2022	11.00	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE BBB+ )

## Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 <a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a>  Vaishnavi Deshpande Analyst-Rating Operations Tel: 022-49294065 <a href="mailto:vaishnavi.deshpande@acuite.in">vaishnavi.deshpande@acuite.in</a>	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>

### About Acuité Ratings & Research

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