



RATING RATIONALE

Archon Engicon Ltd

2 Nov 2020

Brickwork Ratings reaffirms the ratings for the Bank Loan Facilities of ₹ 438.25 Crores of Archon Engicon Ltd based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (Jan 2018)	Present
Fund based	322.37	322.37	Long Term	BWR D Downgrade Issuer Not-Cooperating*	BWR D Reaffirm Issuer Not-Cooperating*
Non Fund based	115.88	115.88	Short Term		
Total	438.25	438.25	INR Four Hundred Thirty Eight Crores and Twenty Five Lakhs Only		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

Details of Bank facilities is provided in Annexure-I

*Issuer did not cooperate, based on best available information

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

Brickwork Ratings reaffirms the rating of BWR D Issuer not cooperating, based on best available information for the bank loan facilities amounting to Rs. 438.25 crs on account of non availability of the information, lack of management cooperation resulting in uncertainties on performance of the company, the status of the account and non submission of NDS.

LIMITATIONS OF THE RATING

The lenders may note to exercise due caution while using the above ratings which mentions "Issuer Not Cooperating" since the ratings lack any projections or a forward looking component as it is arrived based on the best available information on the company without any management interaction.

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

KEY FINANCIAL INDICATORS (in ₹ Cr) [as available with BWR at the time of last rating]

Particulars	Units	2015	2014
Net Sales/Revenues	₹ Cr	507.89	674.86
EBIDTA	₹ Cr	-	-
PAT	₹ Cr	-99.31	-
Tangible Net worth	₹ Cr	20.33	117.69
Total Debt : TNW	Times	14.71	1.14
Current Ratio	Times	-	-

Note: As per information available with BWR

COMPANY PROFILE [as available with BWR at the time of last rating]

Archon Engicon Ltd incorporated in 2014 as a telecom tower manufacturing, erection and commissioning. During FY21, the company entered into the supply of tower structure for renewable energy.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: NIL

Rating History for the last three years (including withdrawn/suspended ratings)

Instrument /Facility	Current Rating (2020)			Rating History		
	Type (Long Term/ Short Term)	Amount (₹ Cr)	Rating^	2019	2018	2017
Fund Based	Long Term	322.37	BWR D Issuer not cooperating*	-	BWR D Issuer not cooperating*	-
Non Fund Based	Short Term	115.88				
Total		438.25	INR Four Hundred Thirty Eight Crores and Twenty Five Lakhs Only			

*Issuer did not cooperate; based on best available information

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What constitutes Non - co-operation?](#)
- [Short Term Debt](#)
- [Infrastructure Sector](#)
- [Default Recognition](#)

Analytical Contacts	
Heta Mehta Ratings Analyst D : +91 22 6745 6612 B :+91 22 2831 1426, +91 22 2831 1439 heta.m@brickworkratings.com	Bal Krishna Piparaiya Senior Director - Ratings B :+91 22 2831 1426, +91 22 2831 1439 piparaiya.bk@brickworkratings.com
1-860-425-2742	media@brickworkratings.com

ANNEXURE I

Archon Engicon Ltd

Details of Bank Facilities rated by BWR

Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
SBI, IDBI, Dena Bank, BOB, BOI, SBOP, Corporation Bank	Cash credit	120.18	-	120.18
	WCTL	148.88	-	148.88
	FITL-I (WCTL)	37.56	-	37.56
	FITL-II (CC)	15.75	-	15.75
	Bank Guarantee	-	115.88	115.88
TOTAL				438.25

Rupees Four Hundred and Thirty Eight Crores and Twenty Five Lakhs Only



For print and digital media The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

About Brickwork Ratings : Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partners. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

DISCLAIMER Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.