

## Press Release

### SASI ROAD FINISHERS & ENGINEERING CONTRACTORS

February 14, 2019



#### Rating Update

|                                     |                                       |
|-------------------------------------|---------------------------------------|
| <b>Total Bank Facilities Rated*</b> | Rs. 7.10 Cr. #                        |
| <b>Long Term Rating</b>             | ACUITE B+<br>Issuer not co-operating* |

# Refer Annexure for details

\* The issuer did not co-operate; Based on best available information.

Acuité has reviewed its long term rating of '**ACUITE B+** (read as **ACUITE B plus**) to the Rs. 7.10 crore bank facilities of Sasi Road Finishers and Engineers Contractors (SRFEC). This rating is now an indicative rating and is based on best available information.

SRFEC is a partnership firm established in 2006 by Mr. Sangeeth Kumar and Ms. Sasikala. The firm is registered as a Class I contractor with PWD, Tamil Nadu and is engaged in the construction of roads and buildings.

#### 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 due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

#### 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 endeavoured 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.

#### About the Rated Entity - Key Financials

|                               | Unit    | FY17 (Actual) | FY16 (Actual) | FY15 (Actual) |
|-------------------------------|---------|---------------|---------------|---------------|
| Operating Income              | Rs. Cr. | 16.39         | 24.49         | 10.90         |
| EBITDA                        | Rs. Cr. | 1.38          | 2.14          | 0.56          |
| PAT                           | Rs. Cr. | 0.68          | 1.54          | 0.43          |
| EBITDA Margin                 | (%)     | 8.39          | 8.76          | 5.15          |
| PAT Margin                    | (%)     | 4.14          | 6.27          | 3.91          |
| ROCE (%)                      | (%)     | 19.83         | 30.64         | 12.70         |
| Total Debt/Tangible Net Worth | Times   | 1.02          | 1.00          | 1.50          |
| PBDIT/Interest                | Times   | 2.78          | 3.92          | 2.29          |
| Total Debt/PBDIT              | Times   | 3.41          | 1.96          | 9.98          |
| Gross Current Assets (Days)   | Days    | 85            | 67            | 241           |

#### Status of non-cooperation with previous CRA (if applicable)

None

### Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

### Rating History (Upto last three years)

| Date         | Name of Instrument / Facilities | Term       | Amount (Rs. Cr.) | Ratings/Outlook                |
|--------------|---------------------------------|------------|------------------|--------------------------------|
| 27-Dec-2017  | Term Loan                       | Long Term  | 0.26             | ACUITE B+ / Stable (Upgraded)  |
|              | Secured Overdraft               | Long Term  | 4.00             | ACUITE B+ / Stable (Upgraded)  |
|              | Bills Discounting               | Long Term  | 0.50             | ACUITE B+ / Stable (Upgraded)  |
|              | Working Capital Demand Loan     | Long Term  | 2.00             | ACUITE B+ / Stable (Upgraded)  |
|              | Bank Guarantee                  | Short Term | 0.25             | ACUITE A4 (Withdrawn)          |
|              | Proposed Bank Facility          | Long Term  | 0.34             | ACUITE B+ / Stable (Assigned)  |
| 27-Dec-2016  | Term Loan                       | Long Term  | 0.35             | ACUITE B / Stable (Reaffirmed) |
|              | Secured Overdraft               | Long Term  | 4.00             | ACUITE B / Stable (Reaffirmed) |
|              | Bills Discounting               | Long Term  | 0.50             | ACUITE B / Stable (Reaffirmed) |
|              | Working Capital Demand Loan     | Long Term  | 2.00             | ACUITE B / Stable (Reaffirmed) |
|              | Bank Guarantee                  | Short Term | 0.25             | ACUITE A4 (Reaffirmed)         |
| 17-July-2015 | Term Loan                       | Long Term  | 0.35             | ACUITE B / Stable (Assigned)   |
|              | Secured Overdraft               | Long Term  | 4.00             | ACUITE B / Stable (Assigned)   |
|              | Bills Discounting               | Long Term  | 0.50             | ACUITE B / Stable (Assigned)   |
|              | Working Capital Demand Loan     | Long Term  | 2.00             | ACUITE B / Stable (Assigned)   |
|              | Bank Guarantee                  | Short Term | 0.25             | ACUITE A4 (Assigned)           |

### #Annexure – Details of instruments rated

| Name of the Facilities      | Date of Issuance | Coupon Rate    | Maturity Date  | Size of the Issue (Rs. Cr.) | Ratings                               |
|-----------------------------|------------------|----------------|----------------|-----------------------------|---------------------------------------|
| Term Loan                   | Not Applicable   | Not Applicable | Not Applicable | 0.26                        | ACUITE B+<br>Issuer not co-operating* |
| Secured Overdraft           | Not Applicable   | Not Applicable | Not Applicable | 4.00                        | ACUITE B+<br>Issuer not co-operating* |
| Bills Discounting           | Not Applicable   | Not Applicable | Not Applicable | 0.50                        | ACUITE B+<br>Issuer not co-operating* |
| Working Capital Demand Loan | Not Applicable   | Not Applicable | Not Applicable | 2.00                        | ACUITE B+<br>Issuer not co-operating* |
| Proposed Bank Facility      | Not Applicable   | Not Applicable | Not Applicable | 0.34                        | ACUITE B+<br>Issuer not co-operating* |

\*The issuer did not co-operate; Based on best available information.

## Contacts

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## About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 Mumbai.

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