

## Press Release

Royal Infra Engineering Private Limited

May 18, 2022



### Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	55.00	-	ACUITE A4+   Reaffirmed   Issuer not co-operating*
Bank Loan Ratings	6.00	ACUITE BB-   Downgraded   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	61.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

# Refer Annexure for details

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

### Rating Rationale

Acuite has downgraded the long term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) and reaffirmed the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 61.00 crore bank facilities of Royal Infra Engineering Private Limited (RIPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

### About the Company

RIPL, incorporated in 2009, is a Gujarat-based company promoted by Mr. Vasantbhai Patel to take over the existing business of Royal Builders. The company is registered as Class AA+ Special Category I contractor with the Roads and Building Department, Government of Gujarat and undertakes civil construction contracts for the Gujarat government.

### 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 non-cooperation 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 the absence of information provided by the issuer/borrower). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit

rating is based.

### About the Rated Entity - Key Financials

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

### Rating Sensitivity

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

### Material Covenants

Not Applicable

### Liquidity Indicators

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

### Outlook

Not Applicable

### Other Factors affecting Rating

Not Applicable

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

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

### Applicable Criteria

- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.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
12 Feb 2021	Bank Guarantee	Short Term	20.00	ACUITE A4+ (Issuer not co-operating*)
	Secured Overdraft	Long Term	4.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	35.00	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	2.00	ACUITE BB (Downgraded and Issuer not co-operating*)
06 Dec 2019	Bank Guarantee	Short Term	35.00	ACUITE A4+ (Issuer not co-operating*)
	Secured Overdraft	Long Term	4.00	ACUITE BB+ (Issuer not co-operating*)
	Cash Credit	Long Term	2.00	ACUITE BB+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	20.00	ACUITE A4+ (Issuer not co-operating*)
	Secured Overdraft	Long Term	4.00	ACUITE BBB (Issuer not co-operating*)

20 May 2019	Bank Guarantee	Short Term	20.00	ACUITE A3+ (Issuer not co-operating*)
	Cash Credit	Long Term	2.00	ACUITE BBB (Issuer not co-operating*)
	Bank Guarantee	Short Term	35.00	ACUITE A3+ (Issuer not co-operating*)
12 Mar 2018	Cash Credit	Long Term	2.00	ACUITE BBB   Stable (Assigned)
	Secured Overdraft	Long Term	4.00	ACUITE BBB   Stable (Assigned)
	Bank Guarantee	Short Term	20.00	ACUITE A3+ (Assigned)
	Bank Guarantee	Short Term	35.00	ACUITE A3+ (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
IDBI Bank Ltd.	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE A4+   Reaffirmed   Issuer not co-operating*
Tamilnad Mercantile Bank Limited	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	35.00	ACUITE A4+   Reaffirmed   Issuer not co-operating*
IDBI Bank Ltd.	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BB-   Downgraded   Issuer not co-operating*
Tamilnad Mercantile Bank Limited	Not Applicable	Overdraft	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE BB-   Downgraded   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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