

Press Release

Seth Construction Company

November 09, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 10.00 Cr #
Short Term Rating	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*

#Refer Annexure for details

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

Acuité has downgraded the short term rating to '**ACUITE A4**' (read as **ACUITE A4**) from '**ACUITE A4+**' (read as **ACUITE A4 plus**) on the Rs.10.00 crore bank facilities of Seth Construction Company (SCC). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

SCC, established in 1973, is a Nagpur-based partnership firm promoted by Mr. Yashpal Seth and family. The firm executes infrastructure-related contracts on the basis of tenders awarded by government entities such as Public Works Departments (PWD) - Maharashtra, Defense Research and Development Organization (DRDO), Nagpur Municipal Corporation (NMC) among others.

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 the due date.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Entities- <https://www.acuite.in/view-rating-criteria-51.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 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.

About the Rated Entity - Key Financials

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

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 (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
21 August 2019	Bank Guarantee	Short Term	10.00	ACUITE A4+ Issuer not co-operating*
01 June 2018	Bank Guarantee	Short Term	10.00	ACUITE A4+ Issuer not co-operating*
19 June 2017	Bank Guarantee	Short Term	10.00	ACUITE A4+ (Reaffirmed)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4 (Downgraded from ACUITE A4+) 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 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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