

Press Release

Bansal Real Tech Limited

06 October, 2017

Rating Downgraded



Total Bank Facilities Rated*	Rs.36.70 Cr #
Long Term Rating	SMERA D (Downgraded from SMERA BB+/Stable) Issuer not co-operating*
Short Term Rating	SMERA D (Downgraded from SMERA A4+) Issuer not co-operating*

*Refer annexure for details

SMERA has downgraded the long term and short term rating **to 'SMERA D' (read as SMERA D) from 'SMERA BB+' (read as SMERA double B plus)** and **'SMERA A4+' (read as SMERA A four plus)** on the Rs. 36.70 crore bank facilities of Bansal Realtech Limited. The rating is now indicative and based on best available information.

Rating downgraded in view of devolvment in letter of credit observed for last six months. Moreover the account is classified as sub-standard as per CIBIL report.

Non-cooperation by the issuer/borrower

SMERA 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 SMERA's policies.

Applicable Criteria

- Manufacturing Entities: <https://www.smera.in/criteria-manufacturing.htm>
- Default Recognition: <https://www.smera.in/criteria-default.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). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Group:

BRL and KTPL were incorporated in 2007 and 2006 respectively. The companies derive revenue primarily from import and wholesale trading of timber logs. The Kaithal Group imports timber from various countries including Malaysia, New Zealand and Vietnam and largely caters to the north Indian market. The registered office is located at Karnal (Haryana) with two branches at Delhi and Gandhidham, Gujarat. The day to day operations are managed by Mr. Pawan Bansal and his brothers, Mr. Mohinder Bansal and Mr. Varinder Bansal.

For FY2014-15, BRL reported profit after tax (PAT) of Rs.0.51 crore on operating income of Rs.101.39 crore, as compared with PAT of Rs.0.37 crore on operating income of Rs.92.86 crore in FY2013-14. The company's net worth stood at Rs.8.62 crore as on March 31, 2015, as compared with Rs.8.11 crore a year earlier.

Rating History for last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
July 04, 2016	Cash Credit*	Long Term	3.50	SMERA BB+/Stable (Assigned)
	Long term Proposed	Long Term	0.20	SMERA BB+/Stable (Assigned)
	Letter of Credit#	Short Term	33.00	SMERA A4+ (Assigned)

*Interchangeability from FLC to CC limit to the extent of Rs. 2.50 crore

#SBLC sublimit of Rs. 5.00 crore within the overall FLC limit of Rs. 33.00 crore

#Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue	Ratings
Cash Credit	N.A	N.A	N.A	3.50	SMERA D (Issuer not co-operating)*
Long term Proposed	N.A	N.A	N.A	0.20	SMERA D (Issuer not co-operating)*
Letter of Credit	N.A	N.A	N.A	33.00	SMERA D (Issuer not co-

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

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ABOUT SMERA

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