

## Press Release

**Bharat Engineering Construction Company Private Limited**

January 09, 2020



### Rating Update

<b>Total Bank Facilities Rated</b>	Rs. 61.25 Cr. #
<b>Long Term Rating</b>	ACUITE B (Downgraded from ACUITE B+/Stable) Issuer not co-operating*
<b>Short Term Rating</b>	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 long-term rating to '**ACUITE B**' (**read as ACUITE B**) from '**ACUITE B+**' (**read as ACUITE B plus**) and reviewed the short-term rating of '**ACUITE A4**' (**read as ACUITE A four**) on the Rs. 61.25 crore bank facilities of Bharat Engineering Construction Company Private Limited (BECC). This rating is now an indicative rating and is based on best available information.

I The Tamil Nadu-based, BECC was incorporated in 2006 by Mr. H. Syed Abdul Kader and Mr. M.S. Thaika Sahib. The company undertakes infrastructure projects related to water supply, sewerage and solid waste management apart from constructing roads, bridges, flyovers and dams. The company has also executed a real estate project 'Alpha Lotus Towers' at Avadi (Chennai) in FY2017.

#### 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.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with 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 Acuité's policies.

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.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)

Not Applicable

#### 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
01-Nov-2018	Cash Credit	Long Term	20.50	ACUITE B+ / Stable (Downgraded from ACUITE BB/Stable)
	Cash Credit	Long Term	10.75	ACUITE B+ / Stable (Downgraded from ACUITE BB/Stable)
	Bank Guarantee	Short Term	25.00	ACUITE A4 (Downgraded from ACUITE A4+)
	Proposed Bank Facility	Long Term	5.00	ACUITE B+ / Stable (Assigned)
23-Aug-2017	Cash Credit	Long Term	20.50	ACUITE BB /Stable (Reaffirmed)
	Cash Credit	Long Term	10.75	ACUITE BB /Stable (Reaffirmed)
	Bank Guarantee	Short Term	15.00	ACUITE A4+ (Reaffirmed)
11-Jun-2016	Cash Credit	Long Term	20.50	ACUITE BB /Stable (Assigned)
	Cash Credit	Long Term	10.75	ACUITE BB /Stable (Assigned)
	Bank Guarantee	Short Term	15.00	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
Cash Credit	Not Applicable	Not Applicable	Not Applicable	20.50	ACUITE B (Downgraded from ACUITE B+ /Stable) Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.75	ACUITE B (Downgraded from ACUITE B+ /Stable) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE A4 Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B (Downgraded from ACUITE B+ /Stable) Issuer not co-operating*

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

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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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