

Press Release

Bharat Engineering Construction Company Private Limited

July 07, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	25.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank Loan Ratings	36.25	ACUITE B Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	61.25	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B**' (read as **ACUITE B**) and 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). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

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:

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 noncooperation 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 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

None

Liquidity Position

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

Outlook

Not Applicable

Status of non-cooperation with previous CRA

None

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
08 Apr 2021	Cash Credit	Long Term	10.75	ACUITE B (Issuer not co-operating*)
	Bank Guarantee	Short Term	25.00	ACUITE A4 (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	5.00	ACUITE B (Issuer not co-operating*)
	Cash Credit	Long Term	20.50	ACUITE B (Issuer not co-operating*)

09 Jan 2020	Cash Credit	Long Term	20.50	ACUITE B (Issuer not co-operating*)
	Cash Credit	Long Term	10.75	ACUITE B (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	5.00	ACUITE B (Issuer not co-operating*)
	Bank Guarantee	Short Term	25.00	ACUITE A4 (Issuer not co-operating*)
01 Nov 2018	Bank Guarantee	Short Term	25.00	ACUITE A4 (Downgraded from ACUITE A4+)
	Cash Credit	Long Term	10.75	ACUITE B+ Stable (Downgraded from ACUITE BB Stable)
	Proposed Bank Facility	Long Term	5.00	ACUITE B+ Stable (Assigned)
	Cash Credit	Long Term	20.50	ACUITE B+ Stable (Downgraded from ACUITE BB Stable)
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 Jul 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

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Indian Overseas Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE A4 Reaffirmed Issuer not co-operating*
Indian Overseas Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	20.50	ACUITE B Reaffirmed Issuer not co-operating*
Bank of Ceylon	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.75	ACUITE B Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B Reaffirmed Issuer not co-operating*

Contacts

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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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