

Press Release

Balaji Road Constructions

May 22, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 8.00 Cr.
Long Term Rating (Indicative)	SMERA BB- Issuer not co-operating*
Short Term Rating (Indicative)	SMERA A4+ Issuer not co-operating*

* Refer Annexure for details

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

SMERA has reviewed the rating of '**SMERA BB-**' (read as SMERA double B minus) and '**SMERA A4+**' (read as SMERA A four plus) to the Rs. 8.00 crore bank facilities of Balaji Road Constructions. This rating is now an indicative rating and is based on best available information.

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.

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 endeavored 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.

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

About the Rated Entity: Balaji Road Constructions (BRC), established in 2000 as a partnership firm is engaged in the construction of bridges, flyovers for the Telangana government. The promoters, Mr. Ashok Patel, Mr. Srikanth Patel and Mr. Amit Patel have extensive experience in the execution of infrastructure projects.

The firm registered profit after tax (PAT) of Rs. 2.40 cr on operating income of Rs. 31.83 cr for FY2015- 16 as compared to PAT of Rs. 1.60 cr on operating income of Rs. 24.05 cr for FY2014-15.

Applicable Criteria

- Default Recognition-<https://www.smerra.in/criteria-default.htm>
- Financial Ratios and Adjustments-<https://www.smerra.in/criteria-fin-ratios.htm>

Rating History (Upto last three years)

Date	Facilities	Amount (Rs. Crore)	Ratings		Rating Outlook
			Long Term	Short Term	
18 March, 2017	Cash Credit	5.50	SMERA BB- (Assigned)	-	Stable
	Bank guarantee/ Letter of Credit	2.50	-	SMERA A4+ (Assigned)	-

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/ Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.50	SMERA BB- Issuer not co-operating*
Bank guarantee/ Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.50	SMERA A4+ Issuer not co-operating*

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ABOUT SMERA

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