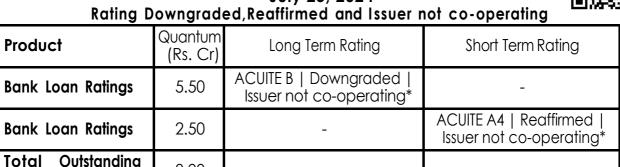


Press Release

Balaji Road Constructions July 25, 2024



Rating Rationale

Acuité has downgraded the long-term rating to 'ACUITE B' (read as ACUITE B) from 'ACUITE B+' (read as ACUITE B plus) and reaffirmed the short-term rating of 'ACUITE A4' (read as ACUITE A four) on the Rs. 8.00 crore bank facilities of Balaji Road Constructions (BRC) on account of information risk. The rating continues to be flagged as "Issuer Not Cooperating" and is based on best available information.

About the Company

Quantum (Rs. Cr)

Telangana based Balaji Road Constructions (BRC) was established in 2000 as a partnership firm. It 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.

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower:

8.00

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.

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.



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 ratingis based.

Rating Sensitivity

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

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 16 (Actual)	FY 15 (Actual)
Operating Income	Rs. Cr.	31.83	24.05
PAT	Rs. Cr.	2.40	1.60
PAT Margin	(%)	7.52	6.64
Total Debt/Tangible Net Worth	Times	1.15	0.39
PBDIT/Interest	Times	9.51	5.71

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Infrastructure Sector: https://www.acuite.in/view-rating-criteria-51.htm
- Default Recognition: https://www.acuite.in/view-rating-criteria-52.htm
- Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
28 Apr	Cash Credit	Long Term	5.50	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
2023	Bank Guarantee (BLR)	Short Term	2.50	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
02 Feb	Cash Credit	Long Term	5.50	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
2022	Bank Guarantee (BLR)	Short Term	2.50	ACUITE A4 (Reaffirmed & Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Bank of Maharashtra	Not avl. / Not appl.	(BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple		ACUITE A4 Reaffirmed Issuer not co- operating*
Bank of Maharashtra	Not avl. / Not appl.		Not avl. / Not appl.		Not avl. / Not appl.	Simple	5.50	ACUITE B Downgraded Issuer not co- operating* (from ACUITE B+)

Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President-Rating Operations Tel: 022–49294017 mohit.jain@acuite.in	Varsha Bist Associate Vice President-Rating Administration Tel: 022-49294011 rating.desk@acuite.in
Abhishek Singh Analyst-Rating Operations Tel: 022-49294065 abhishek.s@acuite.in	

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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