

Press Release

Sorath Builders

18 April, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 12.00 Cr. #
Long Term Rating	SMERA B Issuer not co-operating*
Short Term Rating	SMERA A4 Issuer not co-operating*

Refer Annexure for details

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

SMERA has reviewed long-term rating of '**SMERA B**' (read as **SMERA B**) and short term rating of '**SMERA A4**' (read as **SMERA A four**) on the Rs. 12.00 crore bank facilities of Sorath Builders (SB). 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.

Applicable Criteria

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Infrastructure Entities - <https://www.smera.in/criteria-infra.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 Rated Entity

Sorath Builders (SB), established in 1996 by Mr. Laxmanbhai A. Patel and Mr. Dineshbhai L. Patel is engaged in civil construction. The firm undertakes building repair work and construction of water retaining structures among others for central and state governments. The operations are based out of Ahmedabad, Gujarat.

For FY2015-16, the firm registered profit after tax (PAT) of Rs.0.61 crore on operating income of Rs.42.61 crore as against net profit after tax of Rs.0.59 crore on operating income of Rs.38.10 crore in the previous year. The net worth stood at Rs.5.41 crore as on 31 March 2016 as compared to Rs.4.14 crore as on 31 March 2016

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
14-Mar-2017	Cash Credit	Long Term	6.00	SMERA B / Stable (Assigned)
	Bank Guarantee /Letter of Guarantee	Short Term	3.00	SMERA A4 (Assigned)
	Proposed Facility	Short Term	3.00	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
Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.00	SMERA B Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	3.00	SMERA A4 Issuer not co-operating*
Proposed Facility	Not Applicable	Not Applicable	Not Applicable	3.00	SMERA A4 Issuer not co-operating*

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

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ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, D&B and leading public and private sector banks in India. SMERA is registered with SEBI, accredited by RBI as an External Credit Assessment Institution (ECAI), under BASEL-II norms for undertaking Bank Loan Ratings. SMERA Bond Ratings is a division of SMERA Ratings Limited responsible for ratings of bank facilities, and capital market/money market debt instruments such as Bonds, Debentures, Commercial Papers, Fixed Deposits, Certificate of Deposits etc.. For more details, please visit www.smera.in.

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