

Press Release

Bhavna Property Developers Limited

December 18, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 20.00 Cr. #
Long Term Rating	ACUITE BB Issuer not co-operating*
Short Term Rating	ACUITE A4+ Issuer not co-operating*

Refer Annexure for details

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

Acuité has reviewed long-term rating of '**ACUITE BB**' (read as **ACUITE double B**) and short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) to the Rs. 20.00 crore bank facilities of Bhavna Property Developers Limited (BPDL). This rating is now an indicative rating and is based on best available information.

BPDL, incorporated in 1995 is a Gujarat-based company promoted by Mr. Karsanbhai M. Prajapati. The company undertakes civil construction contracts for Gujarat government. BDPL has constructed staff quarters, executed projects for Roads and Building Department (R&B), Gujarat Industrial Development Corporation (GIDC) and Gujarat State Police Housing Corporation Limited (GSPHCL). BDPL is registered as Class AA+ Special Category I contractor with Roads and Building Department, Government of Gujarat.

For FY2016-17 (Provisional), BPDL reported profit after Tax (PAT) of Rs.0.84 crore on operating income of Rs.28.91 crore as against PAT of Rs.0.69 crore on operating income of Rs.29.68 in the previous year. The net worth stood at Rs.7.06 crore as on 31 March, 2017 as against Rs.6.23 crore in the previous year.

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.

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/criteria-default.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-14.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 endeavoured 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.

	Unit	FY17 (Provisional)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	28.91	29.68	23.99
EBITDA	Rs. Cr.	2.25	2.10	1.53
PAT	Rs. Cr.	0.84	0.69	0.52
EBITDA Margin	(%)	7.77	7.09	6.36
PAT Margin	(%)	2.91	2.32	2.17
ROCE (%)	(%)	14.38	17.06	14.88
Total Debt/Tangible Net Worth	Times	1.08	1.02	1.05
PBDIT/Interest	Times	2.82	2.67	2.01
Total Debt/PBDIT	Times	3.25	2.80	3.31
Gross Current Assets (Days)	Days	103	30	89

Status of non-cooperation with previous CRA (if applicable)

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.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
09-Oct-2017	Cash Credit	Long Term	15.00	ACUITE BB / Stable (Assigned)
	Bank Guarantee	Short Term	5.00	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	15.00	ACUITE BB Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4+ Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Head - Corporate and Infrastructure Sector Ratings Tel: 022-49294041 aditya.gupta@acuite.in Jyotsna Nebhnani Analyst - Rating Operations Tel: 022 49294074 jyotsna.nebhnani@acuiteinratings.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in

About Acuite Ratings & Research:

Acuite 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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