

## Press Release

### Ratilal Bhagwandas Construction Company

April 15, 2021



#### Rating Update

|                                     |                                                                               |
|-------------------------------------|-------------------------------------------------------------------------------|
| <b>Total Bank Facilities Rated*</b> | Rs.20.00 Cr.                                                                  |
| <b>Long Term Rating</b>             | ACUITE BB<br>(Downgraded from ACUITE BB+ / Stable)<br>Issuer not co-operating |

\*Refer Annexure for details

#### Rating Rationale

Acuité has downgraded the long term rating to '**ACUITE BB**' (**read as ACUITE double B**) from '**ACUITE BB+**' (**read as ACUITE double B plus**) on the Rs.20.00 Cr. bank facilities of Ratilal Bhagwandas Construction Company (RBCC). The rating is now flagged as an 'Issuer not-cooperating' and is downgraded on account of information risk.

#### About the company

Pune-based, Ratilal Bhagwandas Construction Company (RBCC), was established in January, 1987 as a proprietorship firm and later converted into a partnership firm with Mr. Nitin Ratilal Karia and Mr. Anand Nitin Karia as partners on April, 1992. The firm is engaged in undertaking civil construction contracts for private entities.

#### 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 the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

#### Applicable Criteria

- Default Recognition – <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Entities – <https://www.acuite.in/view-rating-criteria-51.htm>
- Financial Ratios And Adjustments – <https://www.acuite.in/view-rating-criteria-53.htm>

#### Note on complexity levels of the rated instrument

<https://www.acuite.in/view-rating-criteria-55.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 has 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.

#### Liquidity Position

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

#### Rating Sensitivities

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

#### About the Rated Entity – Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

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

Not Applicable

### Any other information

Acuité 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                     |
|-------------|---------------------------------|-----------|------------------|-------------------------------------|
| 19-Oct-2019 | Bank Guarantee                  | Long Term | 8.00             | ACUITE BB+ / Stable (Upgraded)      |
|             | Proposed Bank Guarantee         | Long Term | 12.00            | ACUITE BB+ / Stable (Upgraded)      |
| 13-Feb-2019 | Bank Guarantee                  | Long Term | 5.10             | ACUITE BB (Issuer not co-operating) |
|             | Proposed Bank Guarantee         | Long Term | 14.90            | ACUITE BB (Issuer not co-operating) |
| 05-Dec-2017 | Bank Guarantee                  | Long Term | 5.10             | ACUITE BB / Stable (Assigned)       |
|             | Proposed Bank Guarantee         | Long Term | 14.90            | ACUITE BB / Stable (Assigned)       |

### Annexure – Details of instruments rated

| Name of the Facilities  | Date of Issuance | Coupon Rate    | Maturity Date  | Size of the Issue (Rs. Cr.) | Ratings                                                                     |
|-------------------------|------------------|----------------|----------------|-----------------------------|-----------------------------------------------------------------------------|
| Bank Guarantee          | Not Applicable   | Not Applicable | Not Applicable | 8.00                        | ACUITE BB (Downgraded from ACUITE BB+ / Stable)<br>Issuer not co-operating* |
| Proposed Bank Guarantee | Not Applicable   | Not Applicable | Not Applicable | 12.00                       | ACUITE BB (Downgraded from ACUITE BB+ / Stable)<br>Issuer not co-operating* |

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

### Contacts

| Analytical                                                                                                                                      | Rating Desk                                                                                                                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| Aditya Gupta<br>Vice President – Corporate Ratings<br>Tel: 022 – 49294041<br><a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a> | Varsha Bist<br>Senior Manager – Rating Desk<br>Tel: 022 – 49294011<br><a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a> |
| Aditya Sahu<br>Analyst – Rating Operations<br>Tel: 022 – 49294055<br><a href="mailto:aditya.sahu@acuite.in">aditya.sahu@acuite.in</a>           |                                                                                                                                        |

### About Acuité Ratings & Research:

Acuité Ratings & Research 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 8,666 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.

**Disclaimer:** An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.acuite.in](http://www.acuite.in)) for the latest information on any instrument rated by Acuité. Acuité's rating scale and its definitions.