

Press Release

Asha Construction

September 29, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	4.00	ACUITE C Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	8.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	12.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long term rating to 'ACUITE C ' (read as ACUITE C) and the short term rating of 'ACUITE A4' (read as ACUITE A four) to the Rs.12.00 crore bank facilities of Asha Construction (AC). The rating is now flagged as 'Issuer Not-Cooperating', based on the information risk.

About the Company

M/s ASHA CONSTRUCTION, established in 2008, is a Raipur based firm promoted by Mr. Ajay Jain and Mr. Abhay Jain. The firm is engaged in mining and civil construction works. It mainly undertakes work in Jharkhand and Chhattisgarh for government as well as private entities. Further the organisation has also worked earlier with private reputed clients like M/s Narsingh Infrastructure, BGR Energy System Limited, NSPCL, NTPC etc for Civil contract work.

Non-cooperation by the issuer/borrower

Acuite 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.

Acuite 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.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite'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). Acuite has endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities

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

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable.

Other Factors affecting Rating

Not Applicable.

Key Financials:

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

Status of non-cooperation with previous CRA

None.

Any other information

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

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entitie: <https://www.acuite.in/view-rating-criteria-61.htm>

Note on Complexity Levels of the Rated Instrument

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

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
22 Jul 2021	Cash Credit	Long Term	4.00	ACUITE C (Downgraded from ACUITE BB- Stable)
	Bank Guarantee	Short Term	8.00	ACUITE A4 (Reaffirmed)
06 Feb 2020	Cash Credit	Long Term	4.00	ACUITE BB- Stable (Reaffirmed)
	Bank Guarantee	Short Term	8.00	ACUITE A4 (Reaffirmed)
03 Dec 2018	Cash Credit	Long Term	4.00	ACUITE BB- Stable (Reaffirmed)
	Bank Guarantee	Short Term	8.00	ACUITE A4 (Reaffirmed)
11 Dec 2017	Cash Credit	Long Term	4.00	ACUITE BB- Stable (Assigned)
	Bank Guarantee	Short Term	3.00	ACUITE A4 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Union Bank of India	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE A4 Reaffirmed Issuer not co-operating*
Union Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE C Reaffirmed Issuer not co-operating*

Contacts

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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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