

Press Release

Hill Brow Metallics and Construction Private Limited

January 20, 2020



Rating Withdrawn

Total Bank Facilities Rated*	Rs.40.00 crore#
Long Term Rating	ACUITE BB+ (Downgraded and Withdrawn)
Short Term Rating	ACUITE A4+ (Downgraded and Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE BB+** (read as ACUITE double B plus) from '**ACUITE BBB**' (read as ACUITE triple B) and short term rating to '**ACUITE A4+**'(read as ACUITE A four plus) from '**ACUITE A3+**' (read as ACUITE A three plus) on the Rs.40.00 crore bank facilities of Hill Brow Metallics and Construction Private Limited (HBMCPL). The rating is downgraded on account of information risk.

Further, Acuité has withdrawn the long-term rating of '**ACUITE BB+** (read as ACUITE double B plus) and short term rating of '**ACUITE A4+**' (read as ACUITE A four plus) on the Rs.40.00 crore bank facilities of Hill Brow Metallics and Construction Private Limited (HBMCPL). The rating is withdrawn on account of request received from the company and NOC received from the banker. The rating withdrawal is in accordance with Acuité's policy on withdrawal of rating.

HBMCPL, incorporated in 2007 by Mr. Sunil Kumar Agarwal and his family, undertakes contracts awarded under the state as well central sponsored schemes such as PMGSY and Mukhya Mantri Gram Sadak Yojana.

Analytical Approach

Acuité has considered the consolidated business and financial risk profile of Sunil Kumar Agrawal LLP and Hill Brow Metallics and Construction Private Limited to arrive at the rating. Extent of consolidation: Full

About the Rated Entity - Key Financials

	Unit	FY19 (Actual)	FY18 (Actual)
Operating Income	Rs. Cr.	669.72	485.22
PAT	Rs. Cr.	74.42	54.75
PAT Margin	(%)	11.11	11.28
Total Debt/Tangible Net Worth	Times	0.36	0.51
PBDIT/Interest	Times	16.23	20.70

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

India Ratings, vide its press release dated May 22, 2018 had denoted the rating of Hill Brow Metallics and Construction Private Limited as 'IND BB+/IND A4+; ISSUER NOT-COOPERATING' on account of lack of adequate information required for monitoring of ratings.

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

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Entities in Infrastructure Sector - <https://www.acuite.in/view-rating-criteria-52.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Up to last three years)

Date	Name of the instrument/facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
May 20, 2019	Cash Credit	Long term	8.00	ACUITE BBB (Issuer Not Co-operating)*
	Proposed Cash Credit	Long term	2.00	ACUITE BBB (Issuer Not Co-operating)*
	Bank Guarantee	Short term	15.00	ACUITE A3+ (Issuer Not Co-operating)*
	Proposed Bank Guarantee	Short term	15.00	ACUITE A3+ (Issuer Not Co-operating)*
March 07, 2018	Cash Credit	Long term	8.00	ACUITE BBB/Stable (Assigned)
	Proposed Cash Credit	Long term	2.00	ACUITE BBB/Stable (Assigned)
	Bank Guarantee	Short term	15.00	ACUITE A3+/Stable (Assigned)
	Proposed Bank Guarantee	Short term	15.00	ACUITE A3+/Stable (Assigned)

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

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE BB+ (Downgraded and Withdrawn)
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BB+ (Downgraded and Withdrawn)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A4+ (Downgraded and Withdrawn)
Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A4+ (Downgraded and Withdrawn)

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About Acuité Ratings & Research:

Acuité 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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