

Press Release

Sunil Kumar Agrawal LLP

January 20, 2020

Rating Withdrawn



Total Bank Facilities Rated*	Rs.120.00 crore#
Long Term Rating	ACUITE BB+ (Downgraded and Withdrawn)
Long Term Rating	ACUITE A4+ (Downgraded and Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuite 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.120.00 crore bank facilities of Sunil Kumar Agrawal LLP (SKALLP). The rating is downgraded on account of information risk.

Further, Acuite has withdrawn the long-term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) and short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the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.120.00 crore bank facilities of Sunil Kumar Agrawal LLP (SKALLP). The rating is withdrawn on account of request received from the company and NOC received from the banker.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 Acuite's policy on withdrawal of rating.

SKALLP a Raipur-based partnership firm was established in 2002 by Mr. Sunil Kumar Agrawal and his family. The firm undertakes construction of roads bridges, maintenance of roads for state government departments under the (PMGSY) Pradhan Mantri Gram Sadak Yojna, (MMGSY) Mukhya Mantri Gram Sadak Yojana.

Analytical Approach

Acuite 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)

Not Applicable

Any other information

Acuite 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	9.00	ACUITE BBB (Issuer Not Co-operating)*
	Cash Credit	Long term	4.00	ACUITE BBB (Issuer Not Co-operating)*
	Cash Credit	Long term	15.00	ACUITE BBB (Issuer Not Co-operating)*
	Proposed Cash Credit	Long term	2.00	ACUITE BBB (Issuer Not Co-operating)*
	Bank Guarantee	Short term	20.00	ACUITE A3+ (Issuer Not Co-operating)*
	Bank Guarantee	Short term	12.00	ACUITE A3+ (Issuer Not Co-operating)*
	Bank Guarantee	Short term	51.00	ACUITE A3+ (Issuer Not Co-operating)*
	Proposed Bank Guarantee	Short term	7.00	ACUITE A3+ (Issuer Not Co-operating)*
March 07, 2018	Cash Credit	Long term	9.00	ACUITE BBB/Stable (Assigned)

	Cash Credit	Long term	4.00	ACUITE BBB/Stable (Assigned)
	Cash Credit	Long term	15.00	ACUITE BBB/Stable (Assigned)
	Proposed Cash Credit	Long term	2.00	ACUITE BBB/Stable (Assigned)
	Bank Guarantee	Short term	10.00	ACUITE A3+ (Assigned)
	Bank Guarantee	Short term	12.00	ACUITE A3+ (Assigned)
	Bank Guarantee	Short term	51.00	ACUITE A3+ (Assigned)
	Proposed Bank Guarantee	Short term	7.00	ACUITE A3+ (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	9.00	ACUITE BB+ (Downgraded and Withdrawn)
Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE BB+ (Downgraded and Withdrawn)
Cash Credit	Not Applicable	Not Applicable	Not Applicable	15.00	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	20.00	ACUITE A4+ (Downgraded and Withdrawn)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE A4+ (Downgraded and Withdrawn)

Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	51.00	ACUITE A4+ (Downgraded and Withdrawn)
Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE A4+ (Downgraded and Withdrawn)

Contacts

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About Acuite Ratings & Research:

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