

Press Release

Birmecha Investments Private Limited

October 15, 2019

Rating Update



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|-------------------------------------|---|
| Total Bank Facilities Rated* | Rs. 15.00 Cr. # |
| Long Term Rating | ACUITE D (Downgraded from ACUITE B/Stable) Issuer not co-operating* |

Refer Annexure for details

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

Acuité has downgraded the long-term rating of '**ACUITE B**' (read as **ACUITE B**) to '**ACUITE D**' (read as **ACUITE D**) on the Rs. 15.00 crore bank facilities of Birmecha Investments Private Limited. This rating is now an indicative rating and is based on best available information.

The downgrade is in view of delays in servicing the debt obligation.

Birmecha Investments Private Limited (BIPL) was established in February 1989. The current management took over the company on 29th January, 2016. BIPL is headed by Mr. Dharmesh Arvindbhai Minawala, Mr. Aditya Dinesh Kedia and Mr. Manoj Kumar Jain. BIPL is a NBFC, which borrows from banks and other group companies and lends mainly to group companies and other companies. The average ticket size ranges between Rs.1.00 crore to Rs.2.00 crore. The repayments are mainly monthly and quarterly.

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

- Entities in Service Sector - <http://acuite.in/view-rating-criteria-8.htm>
- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Financial Ratios and Adjustments - <https://www.acuite.in/view-rating-criteria-20.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.

About the Rated Entity - Key Financials

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

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 |
|-------------|---------------------------------|-----------|------------------|------------------------------|
| 10-Aug-2018 | Term Loans | Long Term | 7.50 | ACUITE B / Stable (Assigned) |
| 10-Aug-2018 | Proposed Facility | Long Term | 7.50 | ACUITE B / 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 |
|------------------------|------------------|----------------|----------------|-----------------------------|---|
| Term Loan | Not Applicable | Not Applicable | Not Applicable | 7.50 | ACUITE D (Downgraded from ACUITE B/Stable) Issuer not co-operating* |
| Proposed Facility | Not Applicable | Not Applicable | Not Applicable | 7.50 | ACUITE D (Downgraded from ACUITE B/Stable) Issuer not co-operating* |

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

Contacts

| Analytical | Rating Desk |
|---|---|
| Vinayak Nayak Vice President – Rating Operations Tel: 022-49294071 vinayak.nayak@acuite.in Pravin Mule Analyst - Rating Operations Tel: 022-49294063 pravin.mule@acuite.in | Varsha Bist Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in |

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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