

Press Release

BKB Transport Private Limited

August 01, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	24.00	ACUITE BB+ Downgraded Issuer not co-operating*	-
Bank Loan Ratings	46.00	-	ACUITE A4+ Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	70.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

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 the short term rating to '**ACUITE A4+**' (read as ACUITE A four plus) from 'ACUITE A3+' (read as ACUITE A three plus) on the Rs.70.00 crore bank facilities of BKB Transport Private Limited (BTPL). The rating has been downgraded and flagged as "Issuer Not Cooperating" on account of information risk.

About the Company

Incorporated in 1990, BKB Transport Private Limited (BTPL) is a Jharkhand based company engaged in coal transportation, mining contracts and civil works. Initially, the company started with coal transportation and from 2004 they ventured into civil works. For coal transportation the company is doing road to road and road to rail mode of transportation. In 2007, the company entered into contract mining for overburden removal with Central Coalfields Limited (CCL). Currently, for mining it is also involved in blasting, drilling and site levelling. The company is promoted by the Agarwal family consisting of Mr. Subodh Agarwal, Mr. Vinod Agarwal, Mr. Pramod Agarwal and Mr. Arun Agarwal.

About the Group

Incorporated in 1993, Vinayak Support Services Private Limited (VSSPL) is promoted by the Agarwal family. It is a Jharkhand based company engaged in coal transportation and mining for clients including Hindalco Industries Limited. It also executes orders for trading of bauxite and coal.

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 noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is 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 endeavored 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 ratings based.

Rating Sensitivities

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

Material Covenants

None

Liquidity Position

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

Outlook

None

Other Factors affecting Rating

None

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

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.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
05 May 2021	Cash Credit	Long Term	4.00	ACUITE BBB Stable (Assigned)
	Bank Guarantee	Short Term	20.70	ACUITE A3+ (Assigned)
	Proposed Bank Guarantee	Short Term	0.30	ACUITE A3+ (Assigned)
	Cash Credit	Long Term	20.00	ACUITE BBB Stable (Assigned)
	Bank Guarantee	Short Term	25.00	ACUITE A3+ (Assigned)

01 Feb 2021	Bank Guarantee	Short Term	20.70	ACUITE A4+ (Withdrawn and Issuer not co-operating*)
	Cash Credit	Long Term	4.00	ACUITE BB (Withdrawn and Issuer not co-operating*)
	Cash Credit	Long Term	20.00	ACUITE BB (Withdrawn and Issuer not co-operating*)
	Bank Guarantee	Short Term	25.00	ACUITE A4+ (Withdrawn and Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	5.30	ACUITE A4+ (Withdrawn and Issuer not co-operating*)
03 Aug 2020	Proposed Bank Guarantee	Short Term	5.30	ACUITE A4+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	24.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	45.70	ACUITE A4+ (Downgraded and Issuer not co-operating*)
12 Nov 2019	Cash Credit	Long Term	24.00	ACUITE BBB- (Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	5.30	ACUITE A3 (Issuer not co-operating*)
	Bank Guarantee	Short Term	45.70	ACUITE A3 (Issuer not co-operating*)
24 Aug 2018	Bank Guarantee	Short Term	45.70	ACUITE A3 (Assigned)
	Cash Credit	Long Term	24.00	ACUITE BBB- Stable (Assigned)
	Proposed Bank Guarantee	Short Term	5.30	ACUITE A3 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE A4+ Downgraded Issuer not co-operating*
Union Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	20.70	ACUITE A4+ Downgraded Issuer not co-operating*
Union Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE BB+ Downgraded Issuer not co-operating*
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE BB+ Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.30	ACUITE A4+ Downgraded Issuer not co-operating*

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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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