

Press Release

RSSB Hike Private Limited (RSSB)

March 16, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 15.00 Cr. #
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB-/ Stable) Issuer not co-operating*
Short Term Rating	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*

Refer Annexure for details`

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

Acuite has downgraded the long term rating of RSSB Hike Private Limited to '**ACUITE BB+**' (read as **Acuite double B plus**) from '**ACUITE BBB-**' (read as **Acuite triple B minus**) and short term rating to '**ACUITE A4+**' (read as **Acuite A four plus**) from '**ACUITE A3**' (read as **Acuite A three**). The rating downgrade is on account of information risk.

RHPL was established in 1992 as a partnership firm under the name 'M/s Ramsharan Singh' by Mr. Ramsharan Singh Bhaduriya and has changed its constitution in October 2018 and name to its current name. The company is engaged into civil construction work for Chhattisgarh Medical Service Corporation Ltd, Chhattisgarh Rural Road Development Authority, Public Works Department (PWD) Chhattisgarh, Police Housing Corporation, Chhattisgarh, Madhya Pradesh Laghu Udyog Nigam Limited, Chhattisgarh Housing Board, Raipur, and District Construction Committee Sukma.

Analytical Approach

Acuite has considered the standalone business and financial risk profiles of RSSB to arrive at this rating.

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 due date.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with 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.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-14.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). 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 rating is based.

About the Rated Entity - Key Financials

	Unit	FY19 (Actual)	FY18 (Actual)
Operating Income	Rs. Cr.	492.40	383.75
PAT	Rs. Cr.	5.52	1.47
PAT Margin	(%)	1.12	0.38
Total Debt/Tangible Net Worth	Times	1.81	2.15
PBDIT/Interest	Times	4.06	2.30

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.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
03-Jan-2019	Cash Credit	Long Term	2.00	ACUITE BBB-/Stable (Reaffirmed)
	Proposed Cash Credit	Long Term	8.00	ACUITE BBB-/Stable (Withdrawn)
	Bank Guarantee	Long Term	3.75	ACUITE BBB-/Stable (Reaffirmed)
	Proposed Bank Guarantee	Long Term	1.25	ACUITE BBB-/Stable (Reaffirmed)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	3.75	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	1.25	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*

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

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile ACUIE 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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