

## Press Release

RPL Projects Limited

November 08, 2022



### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	26.75	ACUITE C   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	43.25	-	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Total Withdrawn Quantum (Rs.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 C (read as Acuite C)** from **'ACUITE BBB-' (read as ACUITE triple B minus)** and **short term rating to ACUITE A4 (Acuite A four)** from **'ACUITE A3 (read as ACUITE A three)'** on the Rs.70.00 crore bank facilities of RPL Projects Limited. (RPLPL) The rating has been downgraded on account of information risk and Default information available in public domain. This rating is now an indicative rating, based on the best available information.

### Rationale for Rating Action

The rating action is based on the available public information stating default in long term loan account of company

### About the Company

Varanasi based, RPL Projects Limited (RPLPL) was incorporated in the year 2009 and is engaged in removal of overburden from coal mines, logistics of fine coal and trading of coal across the country. RPLPL executes contracts for reputed companies like Western Coalfields Limited, Ultratech Cement Limited and Grasim Industries Limited, to name a few. Currently, the directors of the company are Mr. Naveen Rungta, Mr. Praveen Kumar Rungta, Mr. Santosh Kumar Rungta and Mr. Mahendra Kumar Rungta.

### 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.

### 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 endeavored 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.

### 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

Not Applicable

### Key Financials

Particulars	Unit	FY 21 (Provisional)	FY 20 (Actual)
Operating Income	Rs. Cr.	146.15	167.86
PAT	Rs. Cr.	4.02	4.73
PAT Margin	(%)	2.75	2.82
Total Debt/Tangible Net Worth	Times	1.00	1.41
PBDIT/Interest	Times	4.74	4.01

### Key Financials:

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

### Status of non-cooperation with previous CRA

ICRA vide its Press Release dated July 14,2022, reaffirmed RPLPL to ICRA B/A4; INC

Brickworks vide its Press Release dated March31,2022, Downgraded & Reaffirmed RPLPL to BWR B+/A4; INC

### 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

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>

### Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in)

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
02 Sep 2021	Cash Credit	Long Term	20.00	ACUITE BBB-   Stable (Reaffirmed)
	Standby Line of Credit	Short Term	3.25	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	4.50	ACUITE BBB-   Stable (Reaffirmed)
	Bank Guarantee	Short Term	40.00	ACUITE A3 (Reaffirmed)
	Proposed Bank Facility	Long Term	2.25	ACUITE BBB-   Stable (Reaffirmed)
06 Mar 2020	Standby Line of Credit	Short Term	3.25	ACUITE A3 (Assigned)
	Proposed Bank Facility	Long Term	2.25	ACUITE BBB-   Stable (Assigned)
	Cash Credit	Long Term	4.50	ACUITE BBB-   Stable (Assigned)
	Cash Credit	Long Term	20.00	ACUITE BBB-   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	40.00	ACUITE A4   Downgraded   Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	4.50	ACUITE C   Downgraded   Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	20.00	ACUITE C   Downgraded   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	2.25	ACUITE C   Downgraded   Issuer not co-operating*
State Bank of India	Not Applicable	Stand By Line of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	3.25	ACUITE A4   Downgraded   Issuer not co-operating*

## Contacts

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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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