

Press Release

K Bhupal Engineers and Contractors Private Limited

November 29, 2021



Rating Downgraded and Issuer not co-operating

Product	Initial Quantum (Rs. Cr.)	Net Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	55.00	55.00		ACUITE A4+ Downgraded Issuer not co-operating*
Bank Loan Ratings	25.00	25.00	ACUITE BB+ Downgraded Issuer not co-operating*	
Total	80.00	80.00	-	-

Rating Rationale

Acuité 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.80.00 crore bank facilities of K Bhupal Engineers and Contractors Private Limited (KBECPL). This rating is an indicative rating and is based on the best available information.

About the Entity

Established in 1993, K Bhupal converted itself into K Bhupal Engineers and Contractors Private Limited (KBECPL) in September, 2013 from a sole proprietor firm. Based in Hyderabad (Telangana), KBECPL is a civil construction company primarily undertaking contracts for laying pipelines for drinking water and sewerage, under the central government-led scheme 'Jal Jivan Mission' (erstwhile known as National Rural Drinking Water Programme), in the state of Andhra Pradesh, Telangana, Maharashtra and Karnataka

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 the due date.

Acuité 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 continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité'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.

Liquidity Position

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

Rating Sensitivities

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

Status of non-cooperation with previous CRA

None

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

- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
10 Sep 2020	Proposed Cash Credit	Long Term	17.00	ACUITE BBB Stable (Assigned)
	Proposed Bank Guarantee	Short Term	35.00	ACUITE A3+ (Assigned)
	Cash Credit	Long Term	8.00	ACUITE BBB Stable (Assigned)
	Bank Guarantee	Short Term	20.00	ACUITE A3+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Initial Quantum (Rs. Cr.)	Net Quantum (Rs. Cr.)	Rating
State Bank of India	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Not Applicable	0.00	20.00	ACUITE A4+ Downgraded Issuer not co-operating*
State Bank of India	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Not Applicable	0.00	8.00	ACUITE BB+ Downgraded Issuer not co-operating*
Not Applicable	Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	Not Applicable	0.00	35.00	ACUITE A4+ Downgraded Issuer not co-operating*
Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Not Applicable	0.00	17.00	ACUITE BB+ Downgraded Issuer not co-operating*

Contacts

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About Acuité Ratings & Research

Acuité Ratings & Research 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 8,850 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 Kanjurmarg, Mumbai.

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