



**Press Release**  
**Swastik Constructions**  
**December 03, 2024**  
**Rating Downgraded and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	10.00	ACUITE BB+   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	30.00	-	ACUITE A4+   Downgraded   Issuer not co-operating*
<b>Total Outstanding Quantum (Rs. Cr)</b>	40.00	-	-
<b>Total Withdrawn Quantum (Rs. Cr)</b>	0.00	-	-

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

**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 minus) and the short-term rating to ‘ACUITE A4+’ (read as ACUITE A four plus) from ‘ACUITE A3’ (read as ACUITE A three) on the Rs. 40.00 crore bank facilities of Swastik Constructions. The rating downgrade is on account of information risk. The rating is now flagged as “Issuer Not-Cooperating” on account of information risk and is based on the best available information.

**About the Company**

Maharashtra based Swastik Constructions (SC) was established as a partnership firm in 2004. The firm is specialized in water management infrastructure development. SE is engaged in development in various areas such as process designing, installation, civil constructions, commissioning and operation & maintenance services like Water Supply Schemes, Lift Irrigation Schemes, wastewater treatment and distribution. Thus, the company is specialized in providing end to end solutions for handling of water i.e., lifting the water from the source like dam etc., laying the pipelines for the same and erecting distribution systems. Mr. Hemant Shah, Ms. Anita Shah and Mr. Parth Shah are the current partners of the firm.

**Unsupported Rating**

Not Applicable

**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, 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 has 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.

### **Rating Sensitivities**

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

### **Liquidity Position**

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

### **Outlook**

Not Applicable

### **Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	174.40	100.72
PAT	Rs. Cr.	11.97	7.61
PAT Margin	(%)	6.87	7.56
Total Debt/Tangible Net Worth	Times	0.36	0.51
PBDIT/Interest	Times	13.78	11.71

## Status of non-cooperation with previous CRA

Not Applicable

## Any other information

None

## 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, Acuite 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
18 Sep 2023	Bank Guarantee/Letter of Guarantee	Short Term	9.00	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	11.00	ACUITE A3 (Assigned)
	Bank Guarantee (BLR)	Short Term	10.00	ACUITE A3 (Assigned)
	Secured Overdraft	Long Term	1.00	ACUITE BBB-   Stable (Reaffirmed)
	Secured Overdraft	Long Term	4.00	ACUITE BBB-   Stable (Assigned)
	Secured Overdraft	Long Term	5.00	ACUITE BBB-   Stable (Assigned)
02 Jun 2023	Bank Guarantee/Letter of Guarantee	Short Term	9.00	ACUITE A3 (Reaffirmed)
	Secured Overdraft	Long Term	1.00	ACUITE BBB-   Stable (Reaffirmed)
07 Mar 2022	Bank Guarantee/Letter of Guarantee	Short Term	9.00	ACUITE A3 (Upgraded from ACUITE A4+)
	Secured Overdraft	Long Term	1.00	ACUITE BBB-   Stable (Upgraded from ACUITE BB+   Stable)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
HDFC Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.00	Simple	ACUITE A4+   Downgraded   Issuer not co-operating* ( from ACUITE A3 )
Yes Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE A4+   Downgraded   Issuer not co-operating* ( from ACUITE A3 )
HDFC Bank Ltd	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	9.00	Simple	ACUITE A4+   Downgraded   Issuer not co-operating* ( from ACUITE A3 )
HDFC Bank Ltd	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE BB+   Downgraded   Issuer not co-operating* ( from ACUITE BBB- )
Yes Bank Ltd	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE BB+   Downgraded   Issuer not co-operating* ( from ACUITE BBB- )
HDFC Bank Ltd	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE BB+   Downgraded   Issuer not co-operating* ( from ACUITE BBB- )

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

## 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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