

Press Release

Tirupati Build-Con Private Limited

November 09, 2022



Rating Downgraded & Withdrawn, Reaffirmed & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings Loan	32.00	ACUITE BB Downgraded & Withdrawn Issuer not co-operating*	-
Bank Ratings Loan	83.00	-	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	115.00	-	-

Rating Rationale

Acuite has downgraded & withdrawn its long term rating to '**ACUITE BB**' (read as **ACUITE double B**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) and reaffirmed and withdrawn the short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.115.00 crore bank facilities of Tirupati Build-con Private Limited. The rating withdrawal is in accordance with the Acuite's policy on withdrawal of rating. This rating continues to be an indicative rating and is based on best available information. The rating is being withdrawn on account of request received from the company and NOC received from the banker.

About the Company

Tirupati Build-Con Private Limited, a Madhya Pradesh based company was established in the year 1983 as a partnership firm by Mr. Padam Singhania. Later, in the year 2003, the firm was reconstituted as a private limited company. The Company is promoted by the Singhania family led by Mr. Padam Singhania. The day-to-day operation of the company is managed by Mr. Harshvardhan Singhania. The company is registered as Class-IA contractor with PWD of Madhya Pradesh and Chhattisgarh. The company is engaged in executing construction contracts for infrastructural development projects mainly roads, bridges and irrigation projects for PWD, Water Resources Department of Madhya Pradesh and Chhattisgarh, NHAI, etc. The company was allotted a quarry of 'Solid Black Basalt Material/Dolerite Stone' measuring 15 acres land on a lease basis by Madhya Pradesh Government for 20 years ending in 2028.

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). 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

The rated entity has not shared the latest financial statements for Acuite to comment

Rating Sensitivity

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

Status of non-cooperation with previous CRA

None

Any other information

Acuite is yet to receive the latest NDS (No Default Statement) from the company despite repeated requests and follow ups

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.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

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
20 Jul 2022	Proposed Bank Facility	Long Term	7.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	25.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	83.00	ACUITE A4+ (Downgraded and Issuer not co-operating*)
27 Jan 2021	Cash Credit	Long Term	25.00	ACUITE BBB+ Stable (Assigned)
	Proposed Bank Facility	Long Term	7.00	ACUITE BBB+ Stable (Assigned)
	Bank Guarantee	Short Term	83.00	ACUITE A2+ (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	83.00	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	25.00	ACUITE BB Downgraded & Withdrawn Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	7.00	ACUITE BB Downgraded & Withdrawn 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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