

Press Release

BKD INFRASTRUCTURE PRIVATE LIMITED

July 19, 2023

Rating Downgraded and Issuer not co-operating



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	5.50	ACUITE BB+ Downgraded Issuer not co-operating*	-
Bank Loan Ratings	58.00	-	ACUITE A4+ Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	63.50	-	-

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 plus) and the short term rating to 'ACUITE A4+' (read as ACUITE A four plus) from 'ACUITE A2' (read as ACUITE A two) on the Rs.63.50 Cr. bank facilities of BKD Infrastructure Private Limited (BKDIPL). The rating is now flagged as "Issuer NotCooperating" and is based on the best available information.

The rating has been downgraded on account of information risk.

About the Company

BKD Infrastructure Private Limited was incorporated in 2008 by Mr. Braja Kishore Das. The company was engaged in civil construction activities for road, bridges and residential building etc. Mr. Braja Kishore Das entered construction business in 1996 through a proprietorship firm. In 2010, the entire asset and liabilities of the firm was transferred to BIPL. The company has executed projects primarily in the state of Odisha.

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.

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

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 21 (Actual)	FY 20 (Actual)
Operating Income	Rs. Cr.	223.34	144.84
PAT	Rs. Cr.	10.53	5.51
PAT Margin	(%)	4.71	3.81
Total Debt/Tangible Net Worth	Times	0.45	0.52
PBDIT/Interest	Times	8.79	5.94

Status of non-cooperation with previous CRA

India Ratings, vide its press release dated May 15, 2023 had denoted the rating of BKD Infrastructure Private Limited as 'IND-RA BB+/A4+; ISSUER NOT COOPERATING'.

Brickworks vide its press release dated 24.01.2021 had downgraded the company to BWR BB/Stable/A4; Issuer Not Cooperating.

Any other information

Not Applicable

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

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
05 May 2022	Cash Credit	Long Term	2.00	ACUITE BBB+ Stable (Reaffirmed)
	Bank Guarantee	Short Term	2.50	ACUITE A2 (Reaffirmed)
	Bank Guarantee	Short Term	8.50	ACUITE A2 (Assigned)
	Bank Guarantee	Short Term	5.00	ACUITE A2 (Reaffirmed)
	Secured Overdraft	Long Term	1.50	ACUITE BBB+ Stable (Reaffirmed)
	Bank Guarantee	Short Term	8.50	ACUITE A2 (Reaffirmed)
	Bank Guarantee	Short Term	15.00	ACUITE A2 (Assigned)
	Cash Credit	Long Term	2.00	ACUITE BBB+ Stable (Reaffirmed)
	Bank Guarantee	Short Term	7.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee	Short Term	11.50	ACUITE A2 (Reaffirmed)
25 Apr 2022	Bank Guarantee	Short Term	5.00	ACUITE A2 (Upgraded from ACUITE A3+)
	Cash Credit	Long Term	2.00	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Secured Overdraft	Long Term	1.50	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Bank Guarantee	Short Term	8.50	ACUITE A2 (Upgraded from ACUITE A3+)
	Bank Guarantee	Short Term	7.00	ACUITE A2 (Upgraded from ACUITE A3+)
	Proposed Cash Credit	Long Term	2.50	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Bank Guarantee	Short Term	11.50	ACUITE A2 (Upgraded from ACUITE A3+)
	Cash Credit	Long Term	2.00	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
02 Feb 2021	Bank Guarantee	Short Term	11.50	ACUITE A3+ (Assigned)
	Cash Credit	Long Term	2.00	ACUITE BBB Stable (Assigned)
	Bank Guarantee	Short Term	7.00	ACUITE A3+ (Assigned)
	Cash Credit	Long Term	2.00	ACUITE BBB Stable (Assigned)
	Bank Guarantee	Short Term	8.50	ACUITE A3+ (Assigned)
	Secured Overdraft	Long Term	1.50	ACUITE BBB Stable (Assigned)
	Bank Guarantee	Short Term	5.00	ACUITE A3+ (Assigned)
	Proposed Cash Credit	Long Term	2.50	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
Punjab National Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	5.00	ACUITE A4+ Downgraded Issuer not co-operating*
Indian Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	7.00	ACUITE A4+ Downgraded Issuer not co-operating*
HDFC Bank Ltd	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	8.50	ACUITE A4+ Downgraded Issuer not co-operating*
HDFC Bank Ltd	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	15.00	ACUITE A4+ Downgraded Issuer not co-operating*
Indian Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	2.50	ACUITE A4+ Downgraded Issuer not co-operating*
Indian Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	8.50	ACUITE A4+ Downgraded Issuer not co-operating*
HDFC Bank Ltd	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	11.50	ACUITE A4+ Downgraded Issuer not co-operating*
HDFC Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	2.00	ACUITE BB+ Downgraded Issuer not co-operating*
Indian Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	2.00	ACUITE BB+ Downgraded Issuer not co-

								operating*
HDFC Bank Ltd	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	1.50	ACUITE BB+ Downgraded 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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