



Rating Rationale

14 Dec 2020

Alectra Construction Limited

Brickwork Ratings downgrades the long term and short term ratings for the Bank Loan facilities aggregating Rs. 22.60 Crores of Alectra Construction Limited (The Company), while retaining the ratings in the “Issuer Not Cooperating” category, based on best available information, as the issuer did not cooperate.

Particulars

Facility^^	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous (Aug, 2019)	Present
Fund based	4.00	4.00	Long Term	BWR BB+ Outlook: Stable, Downgraded, ISSUER NOT COOPERATING *	BWR BB- Outlook: Stable, Downgraded ISSUER NOT COOPERATING *
Non Fund Based	18.60	18.60	Short Term	BWR A4+, Downgraded ISSUER NOT COOPERATING *	BWR A4 Downgraded ISSUER NOT COOPERATING *
Total	22.60	22.60	Rs. Twenty Two Crores and Sixty Lakhs Only		

#Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

^^Details of Bank facilities are provided in Annexure-I

*Issuer did not cooperate; based on best available information

^Rating migrated to ‘Rating Not Reviewed’ advisory on 31/12/2016



RATING ACTION / NATURE OF NON-COOPERATION

BWR has **downgraded** the ratings of the long term and short term bank loan facilities of Alectra Construction Limited (The Company) to **BWR BB-** from BWR BB+, Stable, and to **BWR A4** from BWR A4+ respectively, for the aggregate amount of Rs. 22.60 Crores, and has **retained** the status of “**Issuer Not Cooperating**” for both the ratings, based on best available information, as the Issuer did not cooperate.

The ratings were due for review in Aug 2020. BWR took up with the issuer and its bankers through emails and telephone calls, to provide the required information for conducting a review of the ratings. However, despite the best efforts of BWR to get at least the minimum required information for a review, neither the firm nor its bankers have provided the same, nor has it provided its latest financials. The company has also not been submitting the NDS in the recent past.

Due to the continued lack of management cooperation on the part of the company to provide adequate information for a review despite follow up, coupled with its non-submission of NDS, BWR is unable to assess the company's financial performance and its ability to service its debt and maintain a valid rating. Accordingly, the ratings have been retained in the “Issuer Not Cooperating” category. The downgrade is based on the lack of up to date feedback on the performance of the company - either from the company itself, or from its bankers.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit ratings should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non- transparency and withholding of information required for a review of the rating.

About the Company (Information shared at the last review of Jul, 2015)

Alectra Construction Limited was established in 1982 as a partnership firm and later in 2004, it was reconstituted as a public limited company. It is engaged in the civil construction works under NHAI, RCD, PWD and NHPC in Bihar.

It runs under the directorship of Mr. Dhananjay Kumar, Mr. Anil Kumar Singh and Ms. Archana.



KEY FINANCIAL INDICATORS [AS AVAILABLE WITH BWR as on Jul 2015]:

Key Financial Indicators	Units	FY 2013	FY 2014
Result Type		Audited	Audited
Net Sales	Rs. Crs	42.14	95.78
EBITDA	Rs. Crs	3.78	8.75
PAT	Rs. Crs	1.68	4.99
Tangible Net Worth	Rs. Crs	12.19	17.17
Total Debt/Tangible Net Worth	Times	0.36	0.37
Current Ratio	Times	1.90	2.38

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY: None



RATING HISTORY- for the last three years (Including withdrawn/suspended ratings)

S · N o	Name of Instrument (NCD/Bank Loan /Non-Fund Based facilities/ Commercial Paper etc.)	Current Rating 14.Dec. 2020			Chronology of Rating History for the past 3 years (Rating Assigned and Press Release date) along with outlook/ Watch, if applicable													
		Type (Long Term/ Short Term)	Amount Outstanding (Rs. Crores)	Rating	Date(s) & Rating(S) assigned in 2019	Date(s) & Rating(s) assigned in 2018^	Dates(s) & Rating(s) in 2017											
1	Bank Loan Facility	Fund Based -Long Term	4.00	BWR BB- Outlook: Stable, Downgraded ISSUER NOT COOPERATING*	03.July. 2019 <table border="1"> <tr> <td>FB-LT#</td> <td>4.00</td> <td>BWR BB+ Outlook: Stable, Downgraded, ISSUER NOT COOPERATING*</td> </tr> <tr> <td>NFB-ST#</td> <td>18.60</td> <td>BWR A4+, Downgraded ISSUER NOT COOPERATING*</td> </tr> <tr> <td>Total</td> <td>22.60</td> <td></td> </tr> </table>			FB-LT#	4.00	BWR BB+ Outlook: Stable, Downgraded, ISSUER NOT COOPERATING*	NFB-ST#	18.60	BWR A4+, Downgraded ISSUER NOT COOPERATING*	Total	22.60		-----	-----
FB-LT#	4.00	BWR BB+ Outlook: Stable, Downgraded, ISSUER NOT COOPERATING*																
NFB-ST#	18.60	BWR A4+, Downgraded ISSUER NOT COOPERATING*																
Total	22.60																	
		Non-Fund Based -Short Term	18.60	BWR A4 Downgraded ISSUER NOT COOPERATING*														
	Total		22.60	Rs. Twenty Two Crores and Sixty Lakhs Only														



*Issuer did not cooperate; based on best available information

#Fund Based, ##Non Fund Based

The initial rating of the company was BWR BB+/Stable and BWR A4+, assigned on 25-Aug-2014

Rating was migrated to 'Rating Not Reviewed' advisory on 31/12/2016

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

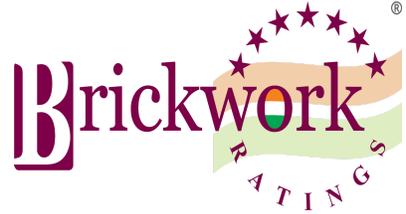
Any other information

Hyperlink/Reference to applicable Criteria

- General Criteria
- Approach to Financial Ratios
- What Constitutes Non-Cooperation

For any other criteria obtain hyperlinks from website

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ANNEXURE I

Alectra Construction Limited

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [Rs. Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1.	SBI	Cash Credit	4.00	4.00	4.00
		Stand by Line of Credit	0.60	0.60	0.60
		Bank Guarantee	18.00	18.00	18.00
TOTAL					22.60

Note: As per information shared at the last review of Jul, 2015 with BWR

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