

RATING RATIONALE

19 Jan 2021

Amit Construction Company

Brickwork Ratings downgrades the long term rating while reaffirming the short term rating for the Bank Loan Facilities of ₹ 6.80 Crores of Amit Construction Company based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (Nov, 2019)	Present
Fund Based	02.30	02.30	Long Term	BWR B + (Stable) Assigned	BWR B (Stable) Downgrade Issuer Not Cooperating
Non Fund Based	04.50	04.50	Short Term	BWR A4 Assigned	BWR A4 Reaffirmed Issuer Not Cooperating
Total	06.80	06.80	Rupees Six Crores and Eighty lakhs Only		

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

* Issuer did not cooperate, based on best available information.

Details of Bank facilities is provided in Annexure-I

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

The long term rating of the Bank Loan Facilities of the entity has been downgraded to BWR B Stable while reaffirming the short term rating at BWR A4 under the 'Issuer Not Cooperating' category.

The entity was initially rated at Long Term Rating BWR B +/Stable Assigned; Short Term Rating BWR A4 Assigned; on 21-Nov-2019. The rating was due for review in November, 2020. BWR took up with the issuer consistently to provide required information over email. BWR was unable to reach its bankers, the banker's feedback regarding the conduct of account is not available. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the firm, BWR is unable to assess the entity's financial performance and its ability to service its debt.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

KEY FINANCIAL INDICATORS (in ₹ Cr) [AS AVAILABLE WITH BWR]

Key Parameters	Units	2019	2018
Result Type		Audited	Audited
Operating Revenue	₹ Cr	20.50	18.64
EBITDA	₹ Cr	1.52	1.11
PAT	₹ Cr	0.95	0.90
Tangible Net Worth	₹ Cr	2.48	2.00
Total Debt/Tangible Net Worth	Times	1.85	1.45

COMPANY PROFILE [As available with BWR]

Amit Construction Company ('The firm' or 'AMC') is a proprietorship concern of Mr. Amit Garg. AMC is engaged in civil construction as a contractor for PWD, RSAMB, UIT, Municipal Council as well as Private concerns. Established in 2003, the firm mainly operates in Rajasthan and plans to expand to the states of Punjab, Himachal Pradesh and Jammu & Kashmir over the medium term.

NON-COOPERATION WITH PREVIOUS RATING AGENCY: NA

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]

Facilities	Current Rating			Rating History		
	Tenure	Amount (₹ Cr)	Rating	2020	2019	2018
Fund Based	Long Term	02.30	BWR B (Stable) Downgrade Issuer Not Cooperating	-	BWR B + (Stable) Assigned	-
Non Fund Based	Short Term	04.50	BWR A4 Reaffirmed Issuer Not Cooperating	-	BWR A4 Assigned	-
Total		06.80	Rupees Six Crores and Eighty lakhs Only			

* Issuer did not cooperate, based on best available information.

COMPLEXITY LEVELS OF THE INSTRUMENTS

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

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [What constitutes Client Non Co-operation](#)

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ANNEXURE I

Amit Construction Company
Details of Bank Facilities rated by BWR

Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
Cash Credit	02.00	-	02.00
Over Draft	00.30	-	00.30
Bank Guarantee	-	04.50	04.50
TOTAL			06.80

Rupees Six Crores and Eighty lakhs Only



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