RATING RATIONALE

4 Jun 2020

Archee Group Contracts Pvt. Ltd.

Brickwork Ratings Revises the rating for the Bank Loan Facilities of ₹12.00 Crores of Archee Group Contracts Pvt. Ltd. based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (Feb 2018)	Present
Fund based	**12.00**	**12.00**	**Long Term**	**BWR BB+ (Stable)**	**BWR BB (Stable) Issuer Not Cooperating* Downgraded**
Total	**12.00**	**12.00**	**INR Twelve Crores 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

Brickwork Ratings downgraded the rating for the bank loan facilities of ₹12.00 Crs of Archee Group Contracts Pvt. Ltd. to BWR BB (Stable) Issuer Not Cooperating, based on best available information. BWR had rated the bank loan facilities of Archee Group Contracts Pvt. Ltd. in Feb 2018 and assigned BWR BB+ (Stable).

BWR took up with the issuer to provide required complete information over email. Despite the best efforts of BWR to get at least the minimum required information for a review, the Company has not provided the same. In the absence of adequate information from the issuer, BWR is unable to assess the issuer's financial performance and its ability to service its debt and maintain a valid rating. Hence on account of inadequate information and lack of management cooperation, BWR recommends placing the rating under the category of Issuer Not Cooperating.
The lenders/investors may note to exercise due caution while using the above ratings which mentions 'Issuer Not Cooperating' since the ratings lack any projections or forward looking component as it is arrived based on the best available information on the Company without any management/banker's interaction.

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

Key Parameters	Units	FY16	FY17
Result Type		**Audited**	**Audited**
Total Operating Income	In ₹ Crs	54.08	47.64
EBITDA	In ₹ Crs	4.08	3.55
Net Profit	In ₹ Crs	1.45	1.15
Tangible Net worth	In ₹ Crs	7.00	7.79
Total debt/TNW	Times	1.61	1.30
Current Ratio	Times	1.53	1.52

COMPANY PROFILE

Established as a Proprietorship firm in 1994 and later reconstituted as a private limited company in May 2011 and named as Archee Group Contracts Private Limited. The Company is an ISO 9001:2008 certified entity and is involved in the business of providing corporate interiors designing and execution services business majorly for commercial ventures. The company is promoted by Mrs. Monika Dhaka is a Managing Director and (who holds 63.75% shareholding), Mr. Nitin Sahjwani (who holds 32.50 % shareholding) and Mr. Abhishek Dhaka are the other Directors of the Company. Its customers include Tech Mahindra Ltd, Ernst & Young LLP, Nestle India Ltd, Johnson & Johnson Pvt Ltd, PWC, IBM India Pvt Ltd ...etc.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: NA

RATING HISTORY FOR THE PREVIOUS THREE YEARS (including withdrawal and suspended)

Sr. No.	Name of Instrument	Facilities		Current Rating		Rating History		
		Type	**Tenure**	**Amount (₹ Cr)**	**Rating**	**2019**	**14.02.2018**	**10.03.2017**
1.	Bank Loan Facility	Fund Based	Long Term	**12.00**	BWR BB (Stable) Issuer Not Cooperating	-	BWR BB+ (Stable)	BWR BB+ (Stable)
Total				**12.00**	**INR Twelve Crores Only**			

COMPLEXITY LEVELS OF THE INSTRUMENTS

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

Hyperlink/Reference to applicable Criteria

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ANNEXURE I

Archee Group Contracts Pvt. Ltd.

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1.	State Bank of India	Fund Based	12.00	-	12.00
TOTAL					**12.00**

Total INR Twelve Crores Only.

For print and digital media The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

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