

**BP Construction.**

Brickwork Ratings downgrades the long term rating and reaffirms the short term rating for the Bank Loan facilities aggregating ₹9.84 Crore of BP Construction (BPC), while retaining them in the “Issuer Not Cooperating” category, based on best available information, as the issuer did not cooperate. Accordingly the ratings for the said instruments are as under:

**Particulars**

Facility#	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous	Present
				Sep, 2019	
<b>Fund based</b> Term Loan Cash Credit	2.34 1.00	2.34 1.00	Long Term	BWR B+, Stable Downgraded, Issuer Not Cooperating**	BWR B Stable, Downgraded, Issuer Not Cooperating;**
<b>Non-Fund based</b> Bank Guarantee	6.50	6.50	Short Term	BWR A4, Reaffirmed, Issuer Not Cooperating**	BWR A4, Reaffirmed, Issuer Not Cooperating**
<b>Total</b>	<b>9.84</b>	<b>9.84</b>	<b>₹ Nine Crore and Eighty Four Lakhs Only</b>		

\*Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

#Details of Bank facilities are provided in Annexure-I

The initial rating of BWR BB-/Stable/A4 was assigned in February 2018.

Rating was moved to “Rating Not Reviewed” category on 08 May 2019

\*\* Issuer did not cooperate; based on best available information

**RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION**

Brickwork Ratings has **downgraded** the long term rating from BWR B+, Stable to **BWR B, Stable** and **reaffirmed** the short term rating at **BWR A4** for the bank loan facilities aggregating Rs.9.84 Crs of **BP Construction (BPC)** while retaining the ratings in the “**Issuer Not Cooperating**” category, based on best available information, as the Issuer did not cooperate.

The initial rating of the firm was done on 07 February 2018 and a rating of BWR BB-, Stable/A4 was assigned. The Rating was thereafter moved to “Rating Not Reviewed” category on 08 May 2019. Due to lack of cooperation from the issuer despite continued follow up to enable us to carry out a review, the long term rating was downgraded to BWR B+, “Issuer Not Cooperating” and short term rating reaffirmed at BWR A4, “Issuer Not Cooperating” category in September

2019. BWR once again took up with the firm and its banker recently, over emails and through telephone calls, to provide the required information. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity and its banker have not provided the same, nor have they shared the latest financials of the firm. The firm has also not submitted the No Default Statements for a prolonged period of time.

In the absence of management cooperation on the part of the firm to provide adequate information for a review despite follow up, coupled with its non submission of NDS for a long time, BWR is unable to assess the firm's financial performance or its ability to service its debt and maintain a valid rating. Accordingly, the rating is retained in the "Issuer Not Cooperating" category. The rating downgrade / reaffirmation is based on the lack of up to date feedback on the firm - either from the firm itself, or from its lender.

#### **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 the required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non transparency and withholding of the information required for a review of the rating.

#### **KEY FINANCIAL INDICATORS (in ₹ Cr) [AS AVAILABLE WITH BWR as on 07.02.2018]**

<b>Particulars</b>	<b>Units</b>	<b>FY 2017</b>	<b>FY 2016</b>
Revenue	₹ Cr	60.00	51.79
EBITDA	₹ Cr	4.31	3.80
PAT	₹ Cr	2.32	2.00
TNW	₹ Cr	7.73	5.40
Total Debt:TNW	%	0.12	0.23
Current Ratio	₹ Cr	1.49	1.56

#### **Firm's Profile (Information as available in February, 2018)**

M/s B.P. Construction (BPC) was established in 1987 as a proprietorship concern and later on, it was reconstituted as a partnership firm in 1998. The firm has its registered address at Ranchi, Jharkhand. Mr. Bhim Prasad and Ms. Janki Devi are the present partners of the firm. BPC is engaged in civil construction and electrification for various Government departments in the state of Jharkhand and Uttar Pradesh. The firm is registered as a Class- 1A contractor with the Public Works Department (PWD), Jharkhand and a Class-1 Electrical contractor with Vidyut Vibhag, Energy Department, Government of Jharkhand for electrification work of up to 33 KV. Major clientele of the firm are Building and construction dept. Road works department, Jharkhand Police Housing Corporation Ltd, Urban Development & Housing Department (UDHD) etc

**NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY :ICRA B+/Stable/A4 in September, 2020; Issuer Not Cooperating**

**Rating History for the last three years (including withdrawn/suspended ratings)**

S. No	Name of Instrument (NCD/Bank Loan /Non-Fund Based facilitates/ Commercial Paper etc.)	Current Rating 22.10.2020			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) & in 2017																								
1	Bank Loan Facility-Long Term	FB-Cash Credit	1.00	BWR B/Stable Downgraded, Issuer Not Cooperating **	<b>27.08.2019</b>			<b>07.02.2018</b>																									
		FB-Term Loan	2.34		<table border="1"> <tr> <th>Long Term</th> <th></th> <th rowspan="4">BWR B+/Stable Downgraded: Issuer Not Cooperating**</th> </tr> <tr> <td>Fund Based Term Loan I</td> <td>2.34</td> </tr> <tr> <td>FB-Cash Credit</td> <td>1.00</td> </tr> <tr> <td>Non-Fund Bank Guarantee</td> <td>6.50</td> <td>BWR A4 Reaffirmed Issuer Not Cooperating**</td> </tr> <tr> <td colspan="2">Total</td> <td>9.84</td> <td></td> </tr> </table>	Long Term		BWR B+/Stable Downgraded: Issuer Not Cooperating**	Fund Based Term Loan I	2.34	FB-Cash Credit	1.00	Non-Fund Bank Guarantee	6.50	BWR A4 Reaffirmed Issuer Not Cooperating**	Total		9.84		<table border="1"> <tr> <th>Long Term</th> <th></th> <th rowspan="4">BWR BB-/Stable Assigned</th> </tr> <tr> <td>Fund Based Term Loan</td> <td>2.34</td> </tr> <tr> <td>FB-Cash Credit</td> <td>1.00</td> </tr> <tr> <td>Non-Fund Bank Guarantee</td> <td>6.50</td> <td>BWR A4 Assigned</td> </tr> <tr> <td colspan="2">Total</td> <td>9.84</td> <td></td> </tr> </table>	Long Term		BWR BB-/Stable Assigned	Fund Based Term Loan	2.34	FB-Cash Credit	1.00	Non-Fund Bank Guarantee	6.50	BWR A4 Assigned	Total		9.84
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**COMPLEXITY LEVELS OF THE INSTRUMENTS**

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)



### 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**  
**BP Construction.**

**Details of Bank Facilities rated by BWR**

<b>Sl.No</b>	<b>Name of the Bank</b>	<b>Type of Facilities</b>	<b>Tenure</b>	<b>Total [₹ Cr]</b>
1.	Canara Bank	Term Loan	Fund Based- long Term	2.34
2.		Cash Credit		1.00
3.		Bank Guarantee	Non-Fund Based- ShortTerm	6.50
<b>TOTAL</b>				<b>9.84</b>

**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.

**About Brickwork Ratings :** Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partners. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

**DISCLAIMER** Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.