



Rating Rationale

BP Construction.

10 Sept 2019

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹ 9.84 Crore of BP Construction based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is as under

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating*		
	Previous	Present		Previous		Present
				Feb, 2018	May, 2019	
<u>Fund based</u> Term Loan Cash Credit	2.34 1.00	2.34 1.00	Long Term	BWR BB- (Pronounced as BWR Double B Minus) Outlook: Stable	Rating Not Reviewed	Issuer did not Cooperate; BWR B+ (Pronounced as BWR B Plus) (Outlook: Stable) (Downgraded)
<u>Non Fund Based</u> Bank Guarantee	6.50	6.50	Short Term	BWR A4 (Pronounced as BWR A Four		Issuer did not Cooperate; BWR A4 (Pronounced as BWR A Four) (Reaffirmed)
Total	9.84	9.84	₹ Nine Crores and Eighty Four Lakhs Only			

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

Issuer did not cooperate; based on best available information

Ratings: Downgraded the long term rating & Reaffirmed the short term rating

In View of Non availability of the information and lack of cooperation from the issuer, Brickwork Ratings has downgraded the long term Ratings from “BWR BB-” to “BWR B+”(Outlook: Stable); Issuer did not cooperate and Reaffirmed the short term rating of “BWR A4” ; Issuer did not cooperate”, for the bank loan facilities amounting Rs.9.84 Crores of BP Construction.



The lender/investor may note to exercise due caution while using the above ratings which mention “Issuer Not Cooperating” since the rating lack any projections or forward looking component as it is arrived based on the best available information of the Firm without any management /banker’s interaction

Nature of Non-co-operation: The rating was due for a review in February 2019. BWR took up with the issuer to provide required information over emails and through telephone calls. 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 as well as from the Banker, BWR is unable to assess the Firm’s financial performance and its ability to service its debt and maintain a valid rating.

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.

About the Firm (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.



Rating History for the last three years (including withdrawn/suspended ratings)

S.No	Facility	Current Rating (September, 2019)			Rating History	
		Type (Long Term/ Short Term)	Amount (₹ Cr)	Rating^	08 May, 2019	07 Feb, 2018
1	Fund Based	Long Term	3.34	Issuer did not Cooperate; BWR B+ (Pronounced as BWR B Plus) (Outlook:Stable) (Downgraded)	Rating Not Reviewed	BWR B+ (Pronounced as BWR B Plus) Outlook: Stable (Assigned)
2	Non Fund Based	Short Term	6.50	BWR A4 (Pronounced as BWR A Four) (Reaffirmed)		BWR A4 (Pronounced as BWR A Four)
Total			9.84	₹ Nine Crores and Eighty Four Lakhs Only		

^Issuer did not cooperate; based on best available information.

Status of non-cooperation with previous CRA (if applicable)-Reason and comments

ICRA, vide its press release dated March, 22, 2018, has migrated its ratings of the bank loan facilities of Rs.14.00 Cr of the firm to the Issuer Not Cooperating category, in view of its inability to carry out a review of the ratings due to non submission of requisite information by the company.

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

BP Construction.

Annexure I

Particulars	Units	FY 2017	FY 2016
Net Sales/Revenues	₹ Cr	60.00	51.79
EBIDTA	₹ Cr	4.31	3.80
PAT	₹ Cr	2.32	2.00
Tangible Networth	₹ Cr	7.73	5.40
Total Debt : TNW	Times	0.12	0.23
Current Ratio	Times	1.49	1.56

Note: As per the information available with BWR

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About Brickwork Ratings

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DISCLAIMER

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