

Bhumi Plastic Pipes Private Limited (Revised)

February 01, 2023

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	9.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B-; Stable; (Single B Minus; Outlook: Stable)
Short Term Bank Facilities	1.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE A4; (A Four)

Details of instruments/facilities in Annexure-1

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

Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated November 16, 2021, placed the rating(s) of Bhumi Plastic Pipes Private Limited (BPPPL) under the 'issuer non-cooperating' category as BPPPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. BPPPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 02, 2022, October 12, 2022, October 22, 2022 and January 31, 2023.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings assigned to the bank facilities of BPPL have been revised on account of restructuring of bank facilities during the year recognized from audit report of FY22 available from register of companies.

Detailed description of the key rating drivers

Please refer to PR dated [November 16, 2021](#)

Analytical approach: Standalone

Applicable criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

About the Company

Andhra Pradesh based Bhumi Plastic Pipes Private Limited (BPPPL) was incorporated as Raghuram Concrete Products Private limited (RCPPL) in January 2012, however, the operations were not started in 2012 due to change in nature of business plan by the promoters. Further, RCPPL was renamed as BPPPL on January 16th, 2014. BPPPL is promoted by MrsVelagapudiUsha Rani, MrVelagapudi Krishna Prasad, MrVelagapudiLakshmana Rao and MrsVelagapudiAnusha. All the promoters are family members and are having more than a decade experience in the civil construction industry (installation of HDPE and PVC pipes) through their associate concern Raghuram Hume Pipes Private Limited and VelkoInfratek Projects Private Limited, which are mainly engaged in civil construction in irrigation and water supply segment. BPPPL is planning to set up a manufacturing unit at Prakasam District, Andhra Pradesh-523212 for High Density Polyethylene (HDPE) and Polyvinyl Chloride (PVC) pipes of various sizes ranging from 20 mm to 200 mm and 250 mm to 400 mm under the brand name of 'BHUMI'. The company is planning to install four machineries with an install capacity of 6000 MTPA. These pipes will be mainly catering to irrigation, agriculture, potable water supply, and sewerage & drainage systems.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Brief Financials (Rs. crore)	March 31, 2021 (A)	March 31, 2022 (A)	9M2023 (Prov.)
Total operating income	9.81	15.58	NA
PBILDT	0.92	0.92	NA
PAT	-1.19	-0.41	NA
Overall gearing (times)	6.29	8.53	NA
Interest coverage (times)	0.64	0.66	NA

A: Audited; Prov: Provisional; NA: Not Available

Status of non-cooperation with previous CRA: CRISIL has continued the ratings assigned to the bank facilities of BPPL to the 'issuer not-cooperating' category vide press release dated August 17, 2022 on account its inability to carryout review in the absence of best available information from the company.

Any other information: Not Applicable

Rating history for the last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of the various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	4.25	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	May-2024	4.75	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	1.00	CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating history for the last three years

Sr. No	Name of the Instrument / Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	4.75	CARE D; ISSUER NOT COOPERATING *	-	1)CARE B-; Stable; ISSUER NOT COOPERATING * (16-Nov-21)	1)CARE B-; Stable; ISSUER NOT COOPERATING * (02-Nov-20)	1)CARE B; Stable; ISSUER NOT COOPERATING * (30-Aug-19)
2	Fund-based - LT-Cash Credit	LT	4.25	CARE D; ISSUER NOT COOPERATING *	-	1)CARE B-; Stable; ISSUER NOT COOPERATING * (16-Nov-21)	1)CARE B-; Stable; ISSUER NOT COOPERATING * (02-Nov-20)	1)CARE B; Stable; ISSUER NOT COOPERATING * (30-Aug-19)
3	Non-fund-based - ST-Bank Guarantee	ST	1.00	CARE D; ISSUER NOT COOPERATING *	-	1)CARE A4; ISSUER NOT COOPERATING * (16-Nov-21)	1)CARE A4; ISSUER NOT COOPERATING * (02-Nov-20)	1)CARE A4; ISSUER NOT COOPERATING * (30-Aug-19)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

Disclaimer

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