

## Bhati Associates Private Limited

December 19, 2022

### Ratings

| Facilities / Instruments               | Amount<br>(Rs. crore)                      | Rating <sup>1</sup>  | Rating Action  |
|--|--|--|--|
| Long Term Bank Facilities              | 8.00                                       | <b>CARE C; Stable; ISSUER NOT COOPERATING*<br/>(Single C; Outlook: Stable ISSUER NOT COOPERATING*)</b>                   | Rating continues to remain under ISSUER NOT COOPERATING category |
| Long Term / Short Term Bank Facilities | 10.00                                      | <b>CARE C; Stable / CARE A4; ISSUER NOT COOPERATING*<br/>(Single C; Outlook: Stable/ A Four ISSUER NOT COOPERATING*)</b> | Rating continues to remain under ISSUER NOT COOPERATING category |
| <b>Total Facilities</b>                | <b>18.00<br/>(Rs. Eighteen Crore Only)</b> |  |  |

*Details of facilities in Annexure-1*

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

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated September 30, 2021, placed the rating(s) of Bhati Associates Private Limited (BAPL) under the 'issuer non-cooperating' category as BAPL 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. BAPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated August 16, 2022, August 26, 2022, September 05, 2022.

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).**

### Detailed description of the key rating drivers

Please refer to PR dated [September 30, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

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

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the Company

Delhi based Bhati Associates Private Limited (BAPL) was established in year 1996 as a proprietorship firm by Mr Harish Bhati, which was later converted to a private limited company in January, 2004. The company is managed by Mr Harish Chaudhary and Mr Satish Chaudhary. The company is engaged in civil construction works such as construction of roads, buildings, flyovers and others for government entities like Public Works Department, Uttar Pradesh Avas Vikas Parishad and others. In order to get the business, company has to participate in tenders and bids floated by government entities.

| Brief Financials (Rs. crore) | FY21(A) | FY22(A) | H1FY23(Prov.) |
|------------------------------|---------|---------|---------------|
| Total operating income       | 31.39   | 39.60   | NA            |
| PBILDT                       | 3.70    | 3.07    | NA            |
| PAT                          | 0.95    | 1.16    | NA            |
| Overall gearing (times)      | 1.37    | 1.07    | NA            |
| Interest coverage (times)    | 2.42    | 2.68    | NA            |

*A - Audited, Prov. Provisional, NA – Not Available*

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and in other CARE Ratings Ltd.'s publications

**Status of non-cooperation with previous CRA:** CRISIL has continued the rating assigned to the bank facilities of BAPL into Issuer Not Cooperating category vide press release dated June 22, 2022 on account of its inability to carry out a review in the absence of requisite information.

Acuite (SMERA) has continued the rating assigned to the bank facilities of BAPL into Issuer Not Cooperating category vide press release dated November 17, 2021 on account of its inability to carry out a review in the absence of requisite information.

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Annexure 3

**Complexity level of various instruments rated for this company:** Annexure 4

#### Annexure-1: Details of Instruments/ Facilities

| Name of the Instrument                | ISIN | Date of Issuance | Coupon Rate (%) | Maturity Date | Size of the Issue (₹ crore) | Rating Assigned along with Rating Outlook         |
|---------------------------------------|------|------------------|-----------------|---------------|-----------------------------|---|
| Fund-based - LT-Cash Credit           |      | -                | -               | -             | 8.00                        | CARE C; Stable; ISSUER NOT COOPERATING*           |
| Non-fund-based - LT/ST-Bank Guarantee |      | -                | -               | -             | 10.00                       | CARE C; Stable / CARE A4; ISSUER NOT COOPERATING* |

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

#### Annexure-2: Rating History of last three years

| Sr. No | Name of the Instrument/ Bank Facilities | Current Ratings |                              |   | Rating History                            |   |   |   |
|--------|---|-----------------|------------------------------|---|---|---|---|---|
|        |   | Type            | Amount Outstanding (₹ crore) | Rating  | Date(s) & Rating(s) assigned in 2022-2023 | Date(s) & Rating(s) assigned in 2021-2022                       | Date(s) & Rating(s) assigned in 2020-2021                       | Date(s) & Rating(s) assigned in 2019-2020 |
| 1      | Fund-based - LT-Cash Credit             | LT              | 8.00                         | CARE C; Stable; ISSUER NOT COOPERATING*           | -   | 1)CARE C; Stable; ISSUER NOT COOPERATING* (30-Sep-21)           | 1)CARE C; Stable; ISSUER NOT COOPERATING* (31-Aug-20)           | 1)CARE C; Stable (07-Jan-20)              |
| 2      | Non-fund-based - LT/ST-Bank Guarantee   | LT/ST*          | 10.00                        | CARE C; Stable / CARE A4; ISSUER NOT COOPERATING* | -   | 1)CARE C; Stable / CARE A4; ISSUER NOT COOPERATING* (30-Sep-21) | 1)CARE C; Stable / CARE A4; ISSUER NOT COOPERATING* (31-Aug-20) | 1)CARE C; Stable / CARE A4 (07-Jan-20)    |

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

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

#### Annexure 4: Complexity level of various instruments rated for this Company

| Sr. No. | Name of Instrument                     | Complexity Level |
|---------|--|------------------|
| 1       | Fund-based - LT-Cash Credit            | Simple           |
| 2       | Non-fund-based - LT/ ST-Bank Guarantee | Simple           |

#### Annexure 5: Bank Lender Details for this Company

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

**Note on complexity levels of the rated instrument:** CARE Ratings Ltd. 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](mailto:care@careedge.in) for any clarifications.

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**About CARE Ratings Limited:**

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

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.

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