



Press Release

Atal Realtech Private Limited

January 08, 2021

Ratings

Facilities	Amount (INR crore)	Current Ratings	Rating Action
Long Term Facility – Fund Based – Cash Credit	11.00	IVR BB ISSUER NOT COOPERATING* (IVR Double B ISSUER NOT COOPERATING)	Revised and moved to ISSUER NOT COOPERATING
Short Term Bank Facility – Non Fund Based – Bank Guarantee	11.90	IVR A4 ISSUER NOT COOPERATING (IVR A Four ISSUER NOT COOPERATING)	Revised and moved to ISSUER NOT COOPERATING
Total	22.90		

**Issuer not cooperating, based on best available information*

Details of Facilities are in Annexure 1

Detailed Rationale

The aforesaid rating revision to the bank facilities of Atal Realtech Private Limited reflects lack of adequate information available about the performance of the company and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the rating revision.



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Note on non-cooperation

Infomerics has repeatedly followed up with the company to provide information to monitor the rating(s) vide e-mail 14.10.20, 18.11.20 and 17.12.20 along with telephonic conversations. However, despite repeated requests, the company has failed to submit Audited financial statements for FY20 and other data for review.

Availability of information is very critical in rating exercise. In the absence of the relevant information, in consonance with SEBI guidelines, Infomerics has moved the ratings assigned to the bank loan facilities of Atal Realtech Private Limited aggregating to INR22.90 crore to the 'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR BB ISSUER NOT COOPERATING (pronounced IVR Double B ISSUER NOT COOPERATING) and IVR A4 ISSUER NOT COOPERATING (IVR A Four ISSUER NOT COOPERATING).

Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Analytical Approach & Applicable Criteria

Standalone

Rating Methodology for Infrastructure Companies

Financial Ratios & Interpretation (Non-Financial Sector)

Guidelines on what constitutes Non-Cooperation by Clients

About the Company

Atal Realtech Private Limited was incorporated in the year 2012 under the leadership of Mr. Gopal P. Atal; for undertaking various construction activities majorly as a sub-contractor to Prakash Constrowell Ltd –a company listed in the BSE as well as a contractor for various private institutions, they provide engineering, procurement and construction services all from designing, procurement, construction, commissioning and handover of the project to the end-user or owner. In earlier stages, the company used to jointly bid for projects in the name of M/s Prakash Constrowell Ltd and M/s Atal Realtech Private Limited would do the actual work. The management is led by Mr. Vijaygopal P. Atal (Director) with business experience of over 2 decades; he is also supported by Mr. Nishit V. Atal who is the purchase director of the



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company. Atal Realtech has recently been assigned as a class 1A contractor under the Public Works Department of Maharashtra, they can undertake government contracts up to the limit of Rs. 20Cr. M/s Atal Realtech holds an upper hand vis-à-vis its competitors mainly due to its association with Prakash Constrowell and the experience and expertise of its promoters, hence benefitting from significantly better business prospects than their counterparts.

Financials*

(INR crore)

For the year ended / As on	31-03-18	31-03-19
	Audited	Audited
Total Operating Income	51.47	57.57
EBITDA	4.83	4.85
PAT	2.30	2.20
Total Debt	9.37	14.90
Tangible Net worth	9.60	24.95
Ratios		
a. EBIDTA Margin (in %)	9.39	8.43
b. PAT Margin (in %)	4.45	3.77
c. Overall Gearing ratio (x)	0.98	0.60

Note: The above figures are as per information available on the MCA website.

**Classification as per Infomerics' standards.*

Status of non-cooperation with previous CRA: None

Any other information: Brickwork Ratings in their Press Release dated March 28th, 2020 have classified Atal Realtech Private Limited as ISSUER NOT COOPERATING.



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Rating History for last three years:

Sl. No.	Name of Instrument/ Facilities	Type	Current Rating (Year 2020-21)		Rating History for the past 3 years		
			Amount outstanding (INR crore)	Assigned Rating	Date(s) & Rating(s) assigned in 19-20 (November 27th, 2019)	Date(s) & Rating(s) assigned in 18-19	Date(s) & Rating(s) assigned in 17-18
1.	Long Term Facility – Fund Based – Cash Credit	Long Term	11.00	IVR BB ISSUER NOT COOPERATING	IVR BB+/Stable Outlook	-	-
2.	Short Term Facility – Non Fund Based – Bank Guarantee	Short Term	11.90	IVR A4 ISSUER NOT COOPERATING	IVR A4+	-	-

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

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About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Company's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.



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Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
Long Term Fund Based Limits – Cash Credit	--	--	--	11.00	IVR BB ISSUER NOT COOPERATING
Short Term Facility – Non Fund Based – Bank Guarantee	--	--	--	11.90	IVR A4 ISSUER NOT COOPERATING