



Press Release

BLA Projects Private Limited

March 01, 2021

Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings	Rating Action
Long Term Bank Facilities – Cash Credit	22.60	IVR BB+; ISSUER NOT COOPERATING* (IVR Double B Plus; Issuer Not Cooperating)	Downgraded and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities – Bank Guarantee	89.00	IVR A4+; ISSUER NOT COOPERATING* (IVR A Four Plus; Issuer Not Cooperating)	Downgraded and moved to ISSUER NOT COOPERATING category
Total	111.60		

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

Details of Facility are in Annexure 1

Detailed Rationale

The rating downgrade is because of lack of adequate information regarding BLA Projects Private Limited (BLAPPL)'s performance and hence 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 downgrade.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide E-mail communications dated February 16, 2021, February 05, 2021, January 07, 2021 and December 02, 2020 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details and fees for the surveillance exercise.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long- term ratings for the bank loan facilities



Press Release

aggregating to Rs.22.60 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB+: Issuer Not Co-operating; Based on best available information (IVR Double B Plus: Issuer Not Co-operating; Based on best available information) and the short-term ratings for the bank loan facilities aggregating to Rs.89.00 crore shall also be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR A4+: Issuer Not Co-operating; Based on best available information (IVR A Four Plus: Issuer Not Co-operating; Based on best available information).

Analytical Approach & Applicable Criteria

Standalone

Financial Ratios & Interpretation – (Non-financial Sector)

Guidelines on what constitutes Non-Cooperation by clients

About the Company

BLA Projects Private Limited (BLAPPL) was initially established as a proprietorship concern in 1978 by Late Mr. Banowari Lal Agarwalla, based out of Kolkata, which later got converted into a private limited company in 1998. The company is mainly engaged in coal overburden removal and material handling & transportation of coal. The company mostly execute contracts through joint venture route with its other group companies. The company was also engaged in road infrastructure and caters to National Highway Authority of India (NHAI), Ministry of Road and Transport and Public Works Department (PWD) of West Bengal, Bihar and Jharkhand. However, gradually the company discontinued its construction related activities to have more focus on high margin yielding coal overburden removal and currently only executing past contracts.

Financials (Standalone):

For the year ended* / As On	(Rs. crore)	
	31-03-2018	31-03-2019
	Audited	Audited
Total Operating Income	155.06	200.39
EBITDA	16.73#	24.40
PAT	5.98	4.94
Total Debt	69.06	105.53
Tangible Net worth	78.82	84.45
EBITDA Margin (%)	10.79	12.18
PAT Margin (%)	3.75	2.40



Press Release

For the year ended* / As On	31-03-2018	31-03-2019
Overall Gearing Ratio (x)	0.88	1.25

*Classification as per Infomerics' Standard

#Excludes exceptional gain of Rs.7.94 crore.

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

S. No.	Name of Instrument/Facilities	Current Rating (Year 2020-21)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19	Date(s) & Rating(s) assigned in 2017-18
1.	Cash Credit	Long Term	22.60	IVR BB+ (IVR Double B Plus) ISSUER NOT COOPERATING	IVR BBB-/Stable Outlook (IVR Triple B Minus with Stable Outlook) (February 14, 2020)	--	--
2.	Bank Guarantee	Short Term	89.00	IVR A4+ (IVR A Four Plus) ISSUER NOT COOPERATING	IVR A3 (IVR A Three) (February 14, 2020)	--	--

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.

Name and Contact Details of the Rating Analyst:

Name: Ms. Harshita Didwania Tel: (033) 46022266 Email: hdidwania@infomerics.com	Name: Mr. Avik Podder Tel: (033) 46022266 Email: apodder@infomerics.com
---	---

About Infomerics:



Press Release

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.

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 Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities – Cash Credit	-	-	-	22.60	IVR BB+ Issuer Not Cooperating*
Short Term Bank Facilities – Bank Guarantee	-	-	-	89.00	IVR A4+ Issuer Not Cooperating*

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