

**BWR/BLR/HO/SRC/RR/3995/2019-20**
**6<sup>th</sup> November 2019**
**Shri. G Radhakrishna**

Managing Director

**RKEC Projects Limited**

 #10-12-1, 3<sup>rd</sup> Floor, Rednam Alcazar

Rednam Gardens Opp. SBI Main Branch

Visakhapatnam, Andhra Pradesh – 530 002

Dear Sir

**Sub: Review of ratings of the enhanced bank loan facilities of RKEC Projects Limited amounting to Rs. 300.00 Crore [Rupees. Three Hundred Crore only]**

 Ref: 1. Our letter no. BWR/BLR/HO/IRC/VI/2264/2018-19 dated 30<sup>th</sup> August 2018

 2. Our letter no. BWR/BLR/HO/IRC/VI/4433/2017-18 dated 16<sup>th</sup> February 2018

 3. Your mandates dated 30<sup>th</sup> September 2019, 6<sup>th</sup> August 2018 and 18<sup>th</sup> January 2018

On review of RKEC Projects Limited's performance based on the information and clarifications provided by you and as available in public sources, we inform you that the ratings of RKEC Projects Limited's enhanced bank loan facilities of Rs. 300.00 crore [Rupees. Three Hundred Crore only] have been reaffirmed as follows:

Facilities	Amount (Rs. Cr)		Tenure	Ratings'	
	Previous	Present		Previous	Present
<b>Fund Based</b>					
Cash Credit	50.00	50.00	Long Term	BWR BBB/Stable	BWR BBB/Stable <i>Reaffirmed</i>
Proposed Cash Credit	-	25.00			
<b>Non Fund Based</b>					
Bank Guarantee	150.00	150.00	Short Term	BWR A3+	BWR A3+ <i>Reaffirmed</i>
Proposed Bank Guarantee	-	75.00			
<b>Total</b>	<b>200.00</b>	<b>Rs. 300.00 Crore (Rupees. Three Hundred Crore Only)</b>			

Note: Details of bank wise facilities is as per Annexure I

The ratings are valid for twelve months from the date of this letter and subject to terms and conditions as per your mandates dated 30<sup>th</sup> September 2019, 6<sup>th</sup> August 2018 and 18<sup>th</sup> January 2018, BWR Letter Nos. BWR/BLR/HO/IRC/VI/2264/2018-19 dated 30<sup>th</sup> August 2018, BWR/BLR/HO/IRC/VI/4433/2017-18 dated 16<sup>th</sup> February 2018 and other correspondence, if any, and Brickwork Ratings' standard disclaimer appended at the end of this letter. **You are requested to provide No Default Statement on a monthly basis.**

 'For definitions of the rating symbol please visit our website [www.brickworkratings.com](http://www.brickworkratings.com)


BWR/BLR/HO/SRC/RR/3995/2019-20

6<sup>th</sup> November 2019

**RKEC Projects Limited**

The rated bank loan facilities would be under surveillance during the said period. You are required to submit information periodically as per Annexure II for the purpose of surveillance/review. You are also required to keep us informed of any information/development that may affect your company's finances/performance without any delay.

We are enclosing the rating rationale. Kindly acknowledge.

Best Regards,

A handwritten signature in blue ink that reads "Rajee R".

**Rajee R**  
**Senior Director – Ratings**  
**Brickwork Ratings India Pvt. Ltd.**



**Note:** Rating Rationale of all accepted Ratings are published on Brickwork Ratings website. All non-accepted ratings are also published on Brickwork Ratings website. Interested persons are well advised to refer to our website [www.brickworkratings.com](http://www.brickworkratings.com). If they are unable to view the rationale, they are requested to inform us on [brickworkhelp@brickworkratings.com](mailto:brickworkhelp@brickworkratings.com)

**Disclaimer:** Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information and this report is present "as is" without any express or implicit warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The ratings assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instruments and BWR shall not be liable for any losses incurred by users for any use of this report or its comments. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.

**RKEC Projects Limited**

**Annexure I: Details of Facilities Rated**

Bank	Facilities	Tenure	Limits (Rs. Crs)
<b>Vijaya Bank [now Bank of Baroda]</b>	<b>Fund based</b>	Long Term	
	Cash Credit		50.00
	Proposed Cash Credit		25.00
	<b>Non Fund based</b>	Short Term	
Bank Guarantee	150.00		
	Proposed Bank Guarantee		75.00
<b>Total</b>			<b>300.00</b>

**Annexure II**

The following documents/ information should be submitted to BWR:

1. Confirmation from the company that all the terms & conditions stipulated in the Bank's Term loan sanction letter has been fully complied with.
2. Certified copy of periodical inventories/book debts/bill receivables statements submitted to the bank.
3. Confirmation about payment of installment and interest as and when paid.
4. Schedule of Term Loan installments and Interest due and payment made so far.
5. Certified copy of Quarterly Information Statements (QIS) and Half Yearly Information Statements (HYIS) submitted to the bank.
6. Certified copy of Banks' Statements of Accounts on a quarterly basis.
7. Quarterly/Half yearly financial statements (unaudited or with limited review) and Annual financial statements (provisional as well as audited).
8. Information on delays/defaults in servicing bank loans, letter of credit, letters of guarantee, NCDs, bonds and other borrowings, if any, by the company as at the end of March, June, September and December each year.
9. Information on delays / defaults in servicing of debt obligations of any subsidiary/other group Companies, if any, as at the end of March, June, September and December each year.
10. Any other statement / information sought by BWR from time to time.
11. All the aforesaid information shall be mailed to [dat@brickworkratings.com](mailto:dat@brickworkratings.com)

