
June 18, 2010

CARE ASSIGNS 'CARE BBB-' AND 'PR3' RATINGS TO THE BANK FACILITIES OF BHARAT ENGINEERING CONSTRUCTION CO PVT LTD.

Ratings

Facilities	Amount (Rs. crore)	Ratings¹	Remarks
Long-term Bank Facilities	17.50	'CARE BBB-' (Triple B Minus)	Assigned
Long/ Short-term Bank Facilities	9.00	'CARE BBB-' / 'PR3' (Triple B Minus) / (PR Three)	Assigned
Total Facilities	26.50		

Rating Rationale

The ratings take into account the vast experience of the promoter in the construction industry, growing order book position and favourable long term outlook for the construction sector on the back of increased thrust being given by Government on infrastructure related activities. However, the ratings are constrained by small size of the company, low capitalisation, working capital intensive operations, regionally concentrated operations and increasingly competitive nature of the construction business.

Going forward, ability of the company to maintain a strong growth in its order book & execute the projects within the stipulated time frame, and its ability to expand the operations to more profitable segments will be key rating sensitivities.

Company Profile

Bharat Engineering Construction Co Pvt Ltd. (BECC) is a small scale construction company established in the year 2006 by Mr.H.Syed Abdul Kader and Mr.M.S.ThaiKa Sahib to execute civil engineering contracts in various diversified areas like construction of bridges, buildings, rehabilitation work, check-dams and drainage works.

¹“Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications”.

In FY09, BECC reported Profit after tax (PAT) of Rs.0.98cr on a total income of Rs.60cr. For nine months period ended December 31, 2009, BECC posted a PAT of Rs.1.3cr on a total income of Rs.56cr.

Analyst Contact

Name: V.Pradeep Kumar

Tel: 044-2849 7812

Mobile: 9840754521

Email: pradeep.kumar@careratings.com

CARE classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries /regulators or others are welcome to write to care@careratings.com for any clarifications.

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is 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 CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

CARE is headquartered in Mumbai, with Offices all over India. The office addresses and contact numbers are given below:

HEAD OFFICE: MUMBAI

Mr. D.R. Dogra

Managing Director

Cell : +91-98204 16002

E-mail : dr.dogra@careratings.com

Mr. Rajesh Mokashi

Dy. Managing Director

Cell : +91-98204 16001

E-mail: rajesh.mokashi@careratings.com

Mr. Ankur Sachdeva

Head - Business Development

Cell : +91-9819698985

E-mail: ankur.sachdeva@careratings.com

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway,
Sion (East), **Mumbai 400 022** Tel.: (022) 67543456 Fax: (022) 67543457

Website: www.careratings.com

OFFICES

<p>Mr.Mehul Pandya Regional Manager 32 TITANIUM Pralhadnagar Corporate Road, Satellite, Ahmedabad - 380 015. Tel – 079 4026 5656 Mobile - 98242 56265 E-mail: mehul.pandya@careratings.com</p>	<p>Mr.Sundara Vathanan Regional Manager Unit No. 8, I floor, Commander's PlaceNo. 6, Raja Ram Mohan Roy Road, Richmond Circle, Bangalore - 560 025. Tel – 080 2211 7140 Mobile – 98803 60878 E-mail: sundara.vathanan@careratings.com</p>
<p>Mr.Ashwini Jani Regional Manager Unit No. O-509/C, Spencer Plaza, 5th Floor, No. 769, Anna Salai, Chennai 600 002 Tel: 044 2849 7812/2849 0811 Mobile – 91766 47599 E-mail : ashwini.jani@careratings.com</p>	<p>Mr. Rahul Patni Regional Manager 401, Ashoka Scintilla 3-6-520, Himayat NagarHyderabad - 500 029 Tel – 040 _40102030 Mobile – 91600 04563 E-mail: rahul.patni@careratings.com</p>
<p>Mr. Sukanta Nag Regional Manager 3rd Floor, Prasad Chambers (Shagun Mall Building) 10A, Shakespeare Sarani Kolkata - 700 071. Tel – 033 2283 1800/1803 Mobile – 98311 70075 E- mail: sukanta.nag@careratings.com</p>	<p>Ms.Swati Agrawal Regional Manager 710 Surya Kiran, 19 K.G. Road, New Delhi - 110 001. Tel – 011 2331 8701/2371 6199 Mobile – 98117 45677 E-mail : swati.agrawal@careratings.com</p>