

Raman Construction Private Limited: Ratings withdrawn

June 3, 2024

Summary of rating action

| Instrument* | Rated Amount (NPR million) | Rating action |
|-----------------------------------|-------------------------------|-------------------|
| Fund-based; long-term limits | 550.0 | Ratings withdrawn |
| Fund-based; short-term limits | 2,446.3 | |
| Non-fund based; short-term limits | 7,945.1 | |
| Total | 10,941.4 | |

Rating action

ICRA Nepal has withdrawn the long-term loan rating of [ICRANP] LD 'Issuer Not Cooperating' (pronounced ICRA NP L D, Issuer Not Cooperating) and short-term loan rating of [ICRANP] D 'Issuer Not Cooperating' (pronounced ICRA NP D, Issuer Not Cooperating) assigned to the loan limits of Raman Construction Private Limited (RCPL).

The rating action has been taken in accordance with the Credit Rating Regulations 2011 following the non-cooperation from RCPL for rating information despite multiple follow-ups. The ratings were kept on notice for withdrawal for a period of six months, during which there was no cooperation from the company for rating surveillance.

Rationale

ICRA Nepal is withdrawing the ratings as it does not have any information to suggest that the credit risk has changed since the time the ratings were last assigned. The key rating drivers, rating sensitivities, key financial indicators have not been captured as the ratings are being withdrawn.

ICRA Nepal assesses whether the information available about the entity commensurate with its ratings and reviews the same as per Credit Rating Regulations 2011 as well as ICRA Nepal's 'Withdrawal/Suspension Policy'. As part of its process and in accordance with its rating agreement with RCPL, ICRA Nepal had been trying to seek information from the entity to monitor its performance, but despite repeated requests by ICRA Nepal, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA Nepal, the ratings have been withdrawn.

Link to previous rating rationales

[Ratings-downgraded January 2024.pdf](#)

[Raman-Construction-Pvt.-Ltd.- Ratings-placed-on-Issuer-not-Cooperating-category November 2023.pdf](#)

[Raman-Construction-Pvt-Ltd Fresh-BLR Rationale April-2022_Final.pdf](#)

Analytical approach: For arriving at the ratings, ICRA Nepal has applied its rating methodology as indicated below.

Links to applicable criteria

[Corporate Credit Rating Methodology](#)

[ICRA Nepal's Default Recognition Policy](#)

[ICRA Nepal's Policy on withdrawal of credit rating](#)

About the company

Raman Construction Private Limited is a class-A contractor that primarily deals with public infrastructure projects, such as roads, bridges, water supply, etc. RCPL's promoters established the business as a sole proprietorship firm in 1990 and the business was subsequently taken over when RCPL was incorporated as a private limited company in 1999. When last



rated, Mr. Bal Ram Mahato, Mr. Raman Mahato (also the executive director) and Mr. Pawan Mahato were the shareholders of the company with stakes of 20%, 40% and 40%, respectively.

Analyst Contacts:

Mr. Sailesh Subedi, (Tel No. +977-1-4519910/20)
sailesh@icranepal.com

Mr. Devendra Dongol (Tel No. +977-1-4519910/20)
devendra@icranepal.com

Relationship Contacts:

Ms. Barsha Shrestha (Tel No. +977-1-4519910/20)
barsha@icranepal.com

About ICRA Nepal Limited:

ICRA Nepal Limited, the first credit rating agency of Nepal, is a subsidiary of ICRA Limited (ICRA) of India. It was licenced by the Securities Board of Nepal (SEBON) on October 3, 2012. ICRA Nepal is supported by ICRA Limited through a technical support services agreement, which envisages ICRA helping ICRA Nepal in areas such as rating process and methodologies, analytical software, research, training, and technical and analytical skill augmentation.

Our parent company, ICRA Limited, was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment information and credit rating agency. Today, ICRA and its subsidiaries together form the ICRA Group of Companies.

For more information, visit www.icranepal.com

ICRA Nepal Limited,

Sunrise Bizz Park, 6th Floor, Dillibazar, Kathmandu, Nepal.

Phone: +977 1 4519910/20

Email: info@icranepal.com

Web: www.icranepal.com

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