

Press Release

POCHAMPAD CONSTRUCTION COMPANY PRIVATE LIMITED

December 02, 2024

Rating Downgraded, Reaffirmed and Issuer not co-operating



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	11.00	ACUITE B Downgraded Issuer not co-operating*	-
Bank Loan Ratings	111.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	122.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

* The issuer did not co-operate; based on best available information.

Rating Rationale

Acuite has downgraded the long-term rating to 'ACUITE B' (read as ACUITE B) from 'ACUITE B+' (read as ACUITE B plus) and reaffirmed the short term rating of 'ACUITE A4' (read as ACUITE A four) on the Rs. 122.00 Cr. bank facilities of Pochampad Construction Company Private Limited (PCCPL) on account of information risk. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

Pochampad Construction Company Private Limited (PCCPL) was established in 1992 as a proprietary concern by Mr. Rajendra Rao. The proprietorship was later converted to a Partnership firm in the year 2003 and was subsequently converted to a Private Ltd Company in the year 2004. The promoters have long experience in execution of infrastructure projects as Class-1 contractor in Hyderabad. PCCPL is engaged in niche area of undertaking water projects like construction of intake wells, and make up water system, laying of pipes, etc. The firm undertakes contracts from government. Directors of Pochampad Construction Company Private Limited are Ranga Rao Meneni, Rajender Rao Velchala, Rekha Velchala.

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date. Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavored to gather information about the entity/industry

from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit ratings is based.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 22 (Provisional)	FY 21 (Actual)
Operating Income	Rs. Cr.	35.23	68.77
PAT	Rs. Cr.	2.21	4.43
PAT Margin	(%)	6.28	6.45
Total Debt/Tangible Net Worth	Times	0.30	0.35
PBDIT/Interest	Times	2.73	3.39

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
07 Sep 2023	Bank Guarantee (BLR)	Short Term	28.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	10.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	64.90	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	8.10	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	1.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	1.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	9.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
05 Sep 2022	Bank Guarantee (BLR)	Short Term	28.00	ACUITE A4 (Downgraded from ACUITE A4+)
	Bank Guarantee (BLR)	Short Term	10.00	ACUITE A4 (Downgraded from ACUITE A4+)
	Proposed Bank Guarantee	Short Term	64.90	ACUITE A4 (Downgraded from ACUITE A4+)
	Bank Guarantee (BLR)	Short Term	8.10	ACUITE A4 (Downgraded from ACUITE A4+)
	Cash Credit	Long Term	1.00	ACUITE B+ Stable (Downgraded from ACUITE BB+)
	Cash Credit	Long Term	1.00	ACUITE B+ Stable (Downgraded from ACUITE BB+)
	Cash Credit	Long Term	9.00	ACUITE B+ Stable (Downgraded from ACUITE BB+)
15 Jun 2022	Bank Guarantee/Letter of Guarantee	Short Term	29.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3)
	Bank Guarantee/Letter of Guarantee	Short Term	37.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3)
	Proposed Bank Guarantee	Short Term	19.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3)
	Bank Guarantee (BLR)	Short Term	25.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3)
	Cash Credit	Long Term	1.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Secured Overdraft	Long Term	1.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Cash Credit	Long Term	10.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
26 Mar 2021	Bank Guarantee (BLR)	Short Term	29.00	ACUITE A3 (Upgraded from ACUITE A4+)
	Bank Guarantee (BLR)	Short Term	37.00	ACUITE A3 (Upgraded from ACUITE A4+)
	Bank Guarantee (BLR)	Short Term	25.00	ACUITE A3 (Upgraded from ACUITE A4+)
	Proposed Bank Guarantee	Short Term	19.00	ACUITE A3 (Upgraded from ACUITE A4+)
	Cash Credit	Long Term	1.00	ACUITE BBB- Stable (Upgraded from ACUITE BB+)
	Cash Credit	Long Term	10.00	ACUITE BBB- Stable (Upgraded from ACUITE BB+)
	Secured Overdraft	Long Term	1.00	ACUITE BBB- Stable (Upgraded from ACUITE BB+)

* The issuer did not co-operate; based on best available information.

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
ICICI Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	28.00	Simple	ACUITE A4 Reaffirmed Issuer not co-operating*
Kotak Mahindra Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE A4 Reaffirmed Issuer not co-operating*
HDFC Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	8.10	Simple	ACUITE A4 Reaffirmed Issuer not co-operating*
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	9.00	Simple	ACUITE B Downgraded Issuer not co-operating* (from ACUITE B+)
ICICI Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE B Downgraded Issuer not co-operating* (from ACUITE B+)
Kotak Mahindra Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE B Downgraded Issuer not co-operating* (from ACUITE B+)
Not Applicable	Not avl. / Not appl.	Proposed Bank Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	64.90	Simple	ACUITE A4 Reaffirmed Issuer not co-operating*

* The issuer did not co-operate; based on best available information.

Contacts

Mohit Jain Senior Vice President-Rating Operations	Contact details exclusively for investors and lenders
Sahil Sawant Associate Analyst-Rating Operations	Mob: +91 8591310146 Email ID: analyticsupport@acuite.in

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