

Press Release

KCVR Infra Projects Private Limited

May 20, 2022



Rating Downgraded, Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|------------------------------------|------------------|----------------------------------------------------|----------------------------------------------------|
| Bank Loan Ratings | 56.00 | - | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Bank Loan Ratings | 9.00 | ACUITE BB- Downgraded Issuer not co-operating* | - |
| Total Outstanding Quantum (Rs. Cr) | 65.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) and reaffirmed the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 65.00 crore bank facilities of KCVR Infra Projects Private Limited (KCVR). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Andhra Pradesh based - KCVR (K. C. Venkat Reddy & Company) was established in 1994 by Directors, Mr. K. V. Jagan Reddy and Mr. K. Suresh Reddy. The company undertakes civil construction projects.

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.

This rating continues to be 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 rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Rating Sensitivity

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

Material Covenants

Not Applicable

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Status of non-cooperation with previous CRA

None

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|--------------------------------|------------|-----------------|-----------------------------------------------------|
| 16 Feb 2021 | Cash Credit | Long Term | 9.00 | ACUITE BB (Downgraded and Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 46.00 | ACUITE A4+ (Issuer not co-operating*) |
| | Proposed Bank Guarantee | Short Term | 10.00 | ACUITE A4+ (Issuer not co-operating*) |
| 12 Dec 2019 | Proposed Bank Guarantee | Short Term | 10.00 | ACUITE A4+ (Downgraded from ACUITE A3) |
| | Bank Guarantee | Short Term | 46.00 | ACUITE A4+ (Downgraded from ACUITE A3) |
| | Cash Credit | Long Term | 9.00 | ACUITE BB+ (Downgraded from ACUITE BBB-) |
| 17 Nov 2018 | Cash Credit | Long Term | 9.00 | ACUITE BBB- (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 46.00 | ACUITE A3 (Issuer not co-operating*) |
| | Proposed Bank Guarantee | Short Term | 10.00 | ACUITE A3 (Issuer not co-operating*) |
| 30 Nov 2017 | Cash Credit | Long Term | 9.00 | ACUITE BBB- (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 46.00 | ACUITE A3 (Issuer not co-operating*) |
| | Proposed Bank Guarantee | Short Term | 10.00 | ACUITE A3 (Issuer not co-operating*) |
| 26 Jul 2016 | Cash Credit | Long Term | 9.00 | ACUITE BBB- Stable (Assigned) |
| | Bank Guarantee | Short Term | 46.00 | ACUITE A3 (Assigned) |
| | Proposed Bank Guarantee | Short Term | 10.00 | ACUITE A3 (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Rating |
|---------------------|----------------|------------------------------------|------------------|----------------|----------------|-------------------|----------------------------------------------------------|
| Canara Bank | Not Applicable | Bank Guarantee/Letter of Guarantee | Not Applicable | Not Applicable | Not Applicable | 20.00 | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Kotak Mahindra Bank | Not Applicable | Bank Guarantee/Letter of Guarantee | Not Applicable | Not Applicable | Not Applicable | 26.00 | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Canara Bank | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 5.00 | ACUITE BB- Downgraded Issuer not co-operating* |
| Kotak Mahindra Bank | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 4.00 | ACUITE BB- Downgraded Issuer not co-operating* |
| Not Applicable | Not Applicable | Proposed Bank Guarantee | Not Applicable | Not Applicable | Not Applicable | 10.00 | ACUITE A4+ Reaffirmed Issuer not co-operating* |

Contacts

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|---------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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