

Press Release

Satva Infratech Private Limited

25 April, 2018



Rating Update

Total Bank Facilities Rated#	Rs.17.00 Cr
Long Term Rating (Downgraded and Indicative)	SMERA D (Downgraded from SMERA B+/Stable) Issuer not co-operating*
Short Term Rating (Downgraded and Indicative)	SMERA D (Downgraded from SMERA A4) Issuer not co-operating*

#Refer Annexure for details

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

SMERA has downgraded long term rating to '**SMERA D**' (read as SMERA D) from '**SMERA B+**' (read as SMERA B plus) and short term rating to '**SMERA D**' (read as SMERA D) from '**SMERA A4**' (read as SMERA A four) on the Rs.17.00 crore bank facilities of Satva Infratech Private Limited (SIPL). The rating is downgraded due to ongoing delay in servicing its debt obligations. This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower: SMERA 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 due date.

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

Applicable Criteria

- Infrastructure entities: <https://www.smera.in/criteria-infra.htm>
- Default Recognition: <https://www.smera.in/criteria-default.htm>

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). SMERA endeavoured to gather information about the entity/industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

SIPL, incorporated in 2007, is a Hyderabad-based sub-contractor engaged in the execution of projects (roads and bridges) for National Highway Authority of India and Indian Railways. The company was promoted by Mr. P. Krishna Murthy and his son Mr. P. M.C. Krishna.

For FY2015-16, SIPL reported profit after tax (PAT) of Rs.0.44 crore on operating income of Rs.29.47 crore as against PAT of Rs.1.03 crore on operating income of Rs.30.81 in the previous year. The net worth stood at Rs.6.17 crore as on March 31, 2016 as against Rs.5.73 crore in the previous year.

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

Rating History (for the last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
19 Jan 2017	Cash Credit	Long term	7.50	SMERA B+/Stable (Assigned)
	Bank Guarantee	Short term	9.50	SMERA A4 (Assigned)

#Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	7.50	SMERA D (Downgraded from SMERA B+/Stable) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	9.50	SMERA D (Downgraded from SMERA A4) Issuer not co-operating*

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ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, Dun & Bradstreet Information Services India Private Limited (D&B) and leading public and private sector banks in India. SMERA is registered with SEBI as a Credit Rating Agency and accredited by Reserve Bank of India. For more details, please visit www.smera.in.

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