



Press Release
Sree Venkateswara Road Constructions Private Limited
December 12, 2023
Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	7.00	ACUITE C Downgraded Issuer not co-operating*	-
Bank Loan Ratings	10.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	17.00	-	-

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE C**' (read as **ACUITE C**) 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. 17.00 crore bank facilities of Sree Venkateswara Road Constructions Private Limited. The rating continues to be flagged as "Issuer Not Co-operating" and is based on the best available information. The rating continues to be an indicative rating. The downgrade is based on the publicly available information.

About the Company

Sree Venkateswara Road Constructions Private Limited (SVRCPL) was established as a proprietorship concern in 1990 at Tamil Nadu and converted to a private limited company in 2008. The company is engaged in the construction of roads, compound walls, drainages, among others. The company is led by Mr. Vedachalam Venkatesan, Mr. Selvaraj Gowri and Mr. Sampath Krishnan.

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower:

Acuité 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.

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

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.

All 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

Not Applicable

Any other information

Acuite is yet to receive the latest No Default Statement despite repeated requests and followups.

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, Acuité 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
17 Jul 2023	Proposed Bank Guarantee	Short Term	4.70	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	1.90	ACUITE B+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	5.30	ACUITE A4 (Issuer not co-operating*)
	Proposed Cash Credit	Long Term	5.10	ACUITE B+ (Issuer not co-operating*)
22 Apr 2022	Cash Credit	Long Term	1.90	ACUITE B+ (Issuer not co-operating*)
	Proposed Cash Credit	Long Term	5.10	ACUITE B+ (Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	4.70	ACUITE A4 (Issuer not co-operating*)
	Bank Guarantee	Short Term	5.30	ACUITE A4 (Issuer not co-operating*)
21 Jan 2021	Bank Guarantee	Short Term	5.30	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	1.90	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	4.70	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Proposed Cash Credit	Long Term	5.10	ACUITE B+ (Downgraded and Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Tamilnad Mercantile Bank Limited	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	5.30	ACUITE A4 Reaffirmed Issuer not co-operating*
Tamilnad Mercantile Bank Limited	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	1.90	ACUITE C Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	4.70	ACUITE A4 Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	5.10	ACUITE C Downgraded Issuer not co-operating*

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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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