

Press Release

Shrushti Contech Private Limited

August 16, 2022



Rating Reaffirmed & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings Loan	19.00	ACUITE BB- Reaffirmed & Withdrawn Issuer not co-operating*	-
Bank Ratings Loan	66.00	-	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	85.00	-	-

Rating Rationale

Acuite has reaffirmed & withdrawn the long term rating of '**ACUITE BB-**' (read as ACUITE double B minus) and short term rating of 'ACUITE A4+' (read as ACUITE A four plus) on the Rs. 85.00 crore bank facilities of Shrushti Contech Private Limited (SCPL).

The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating. The rating is being withdrawn on account of request received from the company and NOC received from the banker.

The rating continues to be flagged as "Issuer NotCooperating".

About the Company

Based in Vijayawada and Incorporated in the year 2013, Shrushti Contech Private Limited (SCPL) is engaged in infrastructure projects like civil works, electrical works, electro-mechanical work. The company is also engaged in manufacturing and sale of PSCC poles. It was established in 2005 as a partnership firm. The day to day operations are managed by its Directors, Jampala Rajasekhar Reddy, Jampala Madhusudhan Reddy, Jampala Prasannalakshmi and Jampala Sujatha who has experience of around two decades in civil construction industry.

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 noncooperation 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 notcooperating", 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 endeavoured 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.

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

None

Liquidity Position

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

Outlook

Not Applicable

Status of non-cooperation with previous CRA

Not Applicable

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>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.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
01 Jun 2021	Cash Credit	Long Term	4.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	30.00	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	15.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	5.00	ACUITE A4+ (Issuer not co-operating*)
	Letter of Credit	Short Term	16.00	ACUITE A4+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	15.00	ACUITE A4+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	30.00	ACUITE A4+ (Issuer not co-operating*)

02 Mar 2020	Cash Credit	Long Term	4.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	15.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	15.00	ACUITE A4+ (Issuer not co-operating*)
	Letter of Credit	Short Term	5.00	ACUITE A4+ (Issuer not co-operating*)
	Letter of Credit	Short Term	16.00	ACUITE A4+ (Issuer not co-operating*)
26 Dec 2018	Cash Credit	Long Term	15.00	ACUITE BB+ Stable (Assigned)
	Cash Credit	Long Term	4.00	ACUITE BB+ Stable (Assigned)
	Letter of Credit	Short Term	5.00	ACUITE A4+ (Assigned)
	Letter of Credit	Short Term	16.00	ACUITE A4+ (Assigned)
	Bank Guarantee	Short Term	15.00	ACUITE A4+ (Assigned)
	Bank Guarantee	Short Term	30.00	ACUITE A4+ (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 (BLR)	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Karur Vysya Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	30.00	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE BB- Reaffirmed & Withdrawn Issuer not co-operating*
Karur Vysya Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE BB- Reaffirmed & Withdrawn Issuer not co-operating*
Canara Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Karur Vysya Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	16.00	ACUITE A4+ Reaffirmed & Withdrawn 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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