

Press Release

PVR Constructions

September 07, 2022



Rating Reaffirmed & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings Loan	2.00	ACUITE B+ Reaffirmed & Withdrawn Issuer not co-operating*	-
Bank Ratings Loan	28.00	-	ACUITE A4 Reaffirmed & Withdrawn Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	30.00	-	-

Rating Rationale

Acuite has reaffirmed & withdrawn its long term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.30 crore bank facilities of PVR Constructions.

The rating withdrawal is in accordance with the Acuite's policy on withdrawal of rating. This rating continues to be an indicative rating and is based on best available information. The rating is being withdrawn on account of request received from the company and NOC received from the banker.

About the Company

Established in 2015, PVR Constructions is a proprietorship firm engaged in electrical and civil contraction work, related to transmission & distribution lines for government authorities of Karnataka, Telangana, Andhra Pradesh to name a few. It has started bidding for Chattisgarh and Uttar Pradesh government's projects from FY2020. However, it majorly caters to private sector players like Welspun, Greenco, Hero Future, Haziur Power, etc. Company caters majorly to private sector companies because of their immediate payments after raising the bills. Now, in FY2020 it has started bidding for government projects too because of the slowdown in private sector projects. The day to day operations are managed by its proprietor, Mr. Ramana. Initially, Mr. Ramana was associated with running a granite unit at Tadipatri. Keeping in view the limited scope for expansion of Granite slab polishing industry, he diversified into the power sector. Overall, proprietor has an experience of around two decades in the civil construction industry. Revenues registered for the period April, 2019 to September, 2019 is around Rs.68.03 crore. It is expected to be around Rs.200.00 crore by the end of this financial year. Next month firm will be raising a bill of around Rs.50.00 crore to Andhra Pradesh project. The registered office is in Bangalore.

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 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 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.

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 Available.

Key Financials

The issuer has not provided the latest financials for Acuite to comment upon.

Status of non-cooperation with previous CRA

None.

Any other information

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

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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
05 Jul 2022	Proposed Bank Guarantee	Short Term	28.00	ACUITE A4 (Issuer not co-operating*)
	Proposed Cash Credit	Long Term	2.00	ACUITE B+ (Issuer not co-operating*)
06 Apr	Proposed Bank Guarantee	Short Term	28.00	ACUITE A4 (Issuer not co-operating*)

2021	Proposed Cash Credit	Long Term	2.00	ACUITE B+ (Issuer not co-operating*)
12 Jun 2020	Proposed Bank Guarantee	Short Term	28.00	ACUITE A4 (Assigned)
	Proposed Cash Credit	Long Term	2.00	ACUITE B+ Stable (Assigned)
22 Jan 2020	Proposed Bank Guarantee	Short Term	28.00	ACUITE A4 (Assigned)
	Proposed Cash Credit	Long Term	2.00	ACUITE B+ Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Not Applicable	Not Applicable	Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	28.00	ACUITE A4 Reaffirmed & Withdrawn Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE B+ 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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