



**Press Release**  
**SLC Projects Private Limited**  
**May 03, 2024**

**Rating Downgraded, Reaffirmed and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	18.00	ACUITE C   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	12.00	-	ACUITE A4   Reaffirmed   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	30.00	-	-

**Rating Rationale**

Acuite has downgraded its long-term rating to **Acuite C (read as ACUITE C)** from **ACUITE B+ (read as ACUITE B Plus)** and reaffirmed its short-term rating of **ACUITE A4 (read as ACUITE A four)** on Rs.30.00 Cr. bank facility of SLC Projects Private Limited (SPPL). The rating continuous to be an indicative rating and is based on best available information.

The rating downgrade is on account of a delay in repayment of debt obligations by SPPL as reflected in its credit bureau information report.

**About the Company**

SLC Projects Private Limited (SPPL) commenced its operations in 2005 and provides infrastructure construction and engineering services. The company is actively involved in construction, electrical, and mechanical works for government defence-related projects. The company is set up by Mr. P. Subbaraju and the company operates from Visakhapatnam, Andhra Pradesh.

**Unsupported Rating**

Not Applicable

**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 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 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.

## **Rating Sensitivity**

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

**Liquidity Position**

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

**Outlook**

Not Applicable

**Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	82.41	74.75
PAT	Rs. Cr.	1.29	0.62
PAT Margin	(%)	1.57	0.83
Total Debt/Tangible Net Worth	Times	3.33	2.51
PBDIT/Interest	Times	1.77	1.70

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

None

### 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, Acuite 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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
07 Sep 2023	Cash Credit	Long Term	14.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	1.24	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Working Capital Term Loan	Long Term	0.93	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.83	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee/Letter of Guarantee	Short Term	12.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
04 May 2023	Cash Credit	Long Term	14.00	ACUITE B+   Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	1.24	ACUITE B+   Stable (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	12.00	ACUITE A4 (Reaffirmed)
	Working Capital Term Loan	Long Term	0.93	ACUITE B+   Stable (Reaffirmed)
	Term Loan	Long Term	1.83	ACUITE B+   Stable (Reaffirmed)
02 May 2022	Cash Credit	Long Term	14.00	ACUITE B+   Stable (Upgraded from ACUITE D)
	Proposed Long Term Bank Facility	Long Term	0.20	ACUITE B+   Stable (Upgraded from ACUITE D)
	Working Capital Term Loan	Long Term	1.97	ACUITE B+   Stable (Upgraded from ACUITE D)
	Term Loan	Long Term	1.83	ACUITE B+   Stable (Upgraded from ACUITE D)
	Bank Guarantee/Letter of Guarantee	Short Term	12.00	ACUITE A4 (Upgraded from ACUITE D)
29 Nov 2021	Bank Guarantee/Letter of Guarantee	Short Term	12.00	ACUITE D (Downgraded from ACUITE A4+)
	Working Capital Term Loan	Long Term	1.97	ACUITE D (Downgraded from ACUITE BB   Stable)
	Proposed Long Term Bank Facility	Long Term	2.03	ACUITE D (Downgraded from ACUITE BB   Stable)
	Cash Credit	Long Term	14.00	ACUITE D (Downgraded from ACUITE BB   Stable)
23 Jul 2021	Bank Guarantee (BLR)	Short Term	12.00	ACUITE A4+ (Upgraded from ACUITE A4)
	Working Capital Term Loan	Long Term	1.97	ACUITE BB   Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	2.03	ACUITE BB   Stable (Upgraded from ACUITE BB-   Stable)
	Cash Credit	Long Term	14.00	ACUITE BB   Stable (Upgraded from ACUITE BB-   Stable)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Bank of India	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	12.00	ACUITE A4   Reaffirmed   Issuer not co-operating*
Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	14.00	ACUITE C   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.24	ACUITE C   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
Bank of India	Not avl. / Not appl.	Term Loan	13 Nov 2021	Not avl. / Not appl.	13 Dec 2026	Simple	1.83	ACUITE C   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
Bank of India	Not avl. / Not appl.	Working Capital Term Loan	13 Aug 2020	Not avl. / Not appl.	13 Sep 2024	Simple	0.93	ACUITE C   Downgraded   Issuer not co-operating* ( from ACUITE B+ )

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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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