



### Press Release

**SRC INFRA DEVELOPERS PRIVATE LIMITED**

**July 07, 2023**

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

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	35.00	ACUITE BB+   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	375.00	-	ACUITE A4+   Downgraded   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	410.00	-	-

### Rating Rationale

Acuite has downgraded its long-term rating to 'ACUITE BB+' (read as ACUITE BB 'Plus') from ACUITE BBB (read as ACUITE BBB) and short term rating to 'ACUITE A4+' (read as ACUITE A four 'plus') from ACUITE A3+ (read as ACUITE A three 'Plus') on the Rs.410 Cr bank facilities of SRC INFRA DEVELOPERS PRIVATE LIMITED (SIPL).

This rating is now an indicative rating and is based on the best available information.

The rating has been downgraded on account of information risk.

### About the Company

SRC Infra Developers Private Limited (SIPL) was initially established as a partnership firm in 1998 namely, S. R. Constructions. The firm was reconstituted as a private limited company in May 2019. The registered office is in Anantapur, Andhra Pradesh. The company is being managed by Mr. Yashwanth Amilineni, Mr. Rajagopal Muttineni and Mr. Venkatesulu Devineni. The company undertakes construction and civil works such as roads, building, irrigation, power, etc. in Andhra Pradesh (AP) and Karnataka (KA).

### Non-cooperation by the issuer/borrower

Acuite has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 03 consecutive months. Acuite has also 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 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 has 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 rating is based.

### Rating Sensitivities

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 up

**Outlook: Not applicable****Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	665.98	541.31
PAT	Rs. Cr.	31.26	19.72
PAT Margin	(%)	4.69	3.64
Total Debt/Tangible Net Worth	Times	0.86	0.78
PBDIT/Interest	Times	2.87	2.37

### Status of non-cooperation with previous CRA

Brickworks vide its press release dated 9.03.2023 had reaffirmed the company to BWR C/A4 ; Issuer not cooperating.

India Ratings vide its press release dated 28/07/2022 had reaffirmed the company to IND-RA BB/A4+ ; Issuer not cooperating

### Any other information

Acuité is not in receipt of the “No Default Statement (NDS)” since April 2023 despite repeated requests and followups.

### Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.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](http://www.acuite.in)

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
28 Nov 2022	Secured Overdraft	Long Term	1.00	ACUITE BBB   Stable (Reaffirmed)
	Cash Credit	Long Term	2.00	ACUITE BBB   Stable (Reaffirmed)
	Secured Overdraft	Long Term	25.00	ACUITE BBB   Stable (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	235.00	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	7.00	ACUITE BBB   Stable (Reaffirmed)
	Bank Guarantee	Short Term	67.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	43.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	30.00	ACUITE A3+ (Reaffirmed)
08 Oct 2021	Cash Credit	Long Term	2.00	ACUITE BBB   Stable (Reaffirmed)
	Cash Credit	Long Term	7.00	ACUITE BBB   Stable (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	235.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	43.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee	Short Term	67.00	ACUITE A3+ (Reaffirmed)
	Secured Overdraft	Long Term	1.00	ACUITE BBB   Stable (Reaffirmed)
	Secured Overdraft	Long Term	25.00	ACUITE BBB   Stable (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	30.00	ACUITE A3+ (Reaffirmed)
21 May 2020	Cash Credit	Long Term	7.00	ACUITE BBB   Stable (Assigned)
	Secured Overdraft	Long Term	25.00	ACUITE BBB   Stable (Assigned)
	Cash Credit	Long Term	7.00	ACUITE BBB   Stable (Assigned)
	Proposed Bank Facility	Short Term	49.00	ACUITE A3+ (Assigned)
	Secured Overdraft	Long Term	2.00	ACUITE BBB   Stable (Assigned)
	Bank Guarantee	Short Term	48.00	ACUITE A3+ (Assigned)
	Secured Overdraft	Long Term	25.00	ACUITE BBB   Stable (Assigned)
	Proposed Bank Facility	Short Term	49.00	ACUITE A3+ (Assigned)
	Proposed Bank Facility	Long Term	1.00	ACUITE BBB   Stable (Assigned)
	Bank Guarantee	Short Term	48.00	ACUITE A3+ (Assigned)
		Short		

	Bank Guarantee	Term	43.00	ACUITE A3+ (Assigned)
	Bank Guarantee	Short Term	43.00	ACUITE A3+ (Assigned)
	Proposed Bank Facility	Long Term	1.00	ACUITE BBB   Stable (Assigned)
	Secured Overdraft	Long Term	2.00	ACUITE BBB   Stable (Assigned)
	Bank Guarantee	Short Term	235.00	ACUITE A3+ (Assigned)
	Bank Guarantee	Short Term	235.00	ACUITE A3+ (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Karnataka Bank Ltd	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	67.00	ACUITE A4+   Downgraded   Issuer not co-operating*
Union Bank of India	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	235.00	ACUITE A4+   Downgraded   Issuer not co-operating*
HDFC Bank Ltd	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	43.00	ACUITE A4+   Downgraded   Issuer not co-operating*
Indian Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	30.00	ACUITE A4+   Downgraded   Issuer not co-operating*
HDFC Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	7.00	ACUITE BB+   Downgraded   Issuer not co-operating*
Indian Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	2.00	ACUITE BB+   Downgraded   Issuer not co-operating*
Union Bank of India	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	25.00	ACUITE BB+   Downgraded   Issuer not co-operating*
Karnataka Bank Ltd	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	1.00	ACUITE BB+   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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