



Press Release
SUPRADA CONSTRUCTIONS PRIVATE LIMITED
June 13, 2025
Rating Downgraded and Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	388.51	ACUITE C Reaffirmed	-
Bank Loan Ratings	11.49	ACUITE D Downgraded	-
Total Outstanding Quantum (Rs. Cr)	400.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating of '**ACUITE C**' (read as **ACUITE C**) on Rs. 388.51 Cr. and downgraded its long-term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE C**' (read as **ACUITE C**) on the Rs. 11.49 Cr. bank facilities of Suprada Constructions Private Limited (SCPL).

Rationale for Rating

The rating reaffirmation and downgrade is on account of recurring delay in servicing of debt obligation by the company since January 2025 as reflected in the term loan statements.

About the Company

Suprada Constructions Private Limited (SCPL) was established initially as a partnership firm in 1982 under the name 'Suprada Constructions Company', by Mr. U Seetharam Shetty. It is based out of Dharwad district of Karnataka and is engaged in infrastructure development projects like drinking water projects, canal embankment, underground drainage, road development and construction of buildings for various government and private players.

Unsupported Rating

Not Applicable.

Analytical Approach

Acuite has considered the standalone business and financial risk profiles of SCPL for arriving at the rating.

Key Rating Drivers

Strengths

Experienced management and long track record of operations

SCPL, a special-class civil contractor, has been into existence for more than three decades with its specialty in laying pipeline for water supply and sewerage under the central government-led scheme 'Jal Jivan Mission' (erstwhile known as National Rural Drinking Water Programme), majorly in the state of Karnataka. Mr. U Seetharam Shetty, the promoter of SCPL, is having 53 years of experience in the line of civil construction. With intent to bid for high value projects, 'Suprada Construction Company' (partnership firm) had been reconstituted into SCPL. SCPL has executed multiple orders which included construction work of water supply components, water supply and underground drainage systems, sports complex, bridges, series of residential school complexes, factories and manufacturing plants and others. With promoter's extensive industry experience and timely execution of past projects, SCPL has been able to establish a long-standing relationship with its suppliers and various government bodies.

Weaknesses

Instance of delays in servicing of debt obligation

There have been recurring delays in the servicing of debt obligations in one of the bank facility, noted since January 2025, as per the term loan statements. Furthermore, the statements indicate that interest was consistently charged at the beginning of each month and typically paid by month-end. However, an exception was observed in January 2025, where interest was charged at the start of the month but was only paid at the end of February 2025.

indicating delays in servicing interest. Further, no written feedback has been received from the banker regarding the reason for delays.

Rating Sensitivities

Timely servicing of debt obligations.

Liquidity Position**Poor**

Liquidity position of the company is poor as there have been instances of delays in servicing of debt obligation.

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

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	293.85	424.92
PAT	Rs. Cr.	14.12	25.99
PAT Margin	(%)	4.81	6.12
Total Debt/Tangible Net Worth	Times	0.77	0.68
PBDIT/Interest	Times	2.78	4.02

Status of non-cooperation with previous CRA (if applicable)

Not Applicable.

Interaction with Audit Committee anytime in the last 12 months (applicable for rated-listed / proposed to be listed debt securities being reviewed by Acuite)

Not applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.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
24 Mar 2025	Term Loan	Long Term	0.10	ACUITE C (Downgraded from ACUITE BBB Stable)
	Term Loan	Long Term	0.29	ACUITE C (Downgraded from ACUITE BBB Stable)
	Bank Guarantee/Letter of Guarantee	Long Term	230.00	ACUITE C (Downgraded from ACUITE BBB Stable)
	Bank Guarantee/Letter of Guarantee	Long Term	55.00	ACUITE C (Downgraded from ACUITE BBB Stable)
	Working Capital Term Loan	Long Term	1.24	ACUITE C (Downgraded from ACUITE BBB Stable)
	Proposed Bank Guarantee	Long Term	20.37	ACUITE C (Downgraded from ACUITE BBB Stable)
	Term Loan	Long Term	17.20	ACUITE C (Downgraded from ACUITE BBB Stable)
	Term Loan	Long Term	0.62	ACUITE C (Downgraded from ACUITE BBB Stable)
	Cash Credit	Long Term	20.00	ACUITE C (Downgraded from ACUITE BBB Stable)
	Term Loan	Long Term	5.52	ACUITE C (Downgraded from ACUITE BBB Stable)
	Term Loan	Long Term	8.07	ACUITE C (Downgraded from ACUITE BBB Stable)
	Cash Credit	Long Term	40.00	ACUITE C (Downgraded from ACUITE BBB Stable)
	Term Loan	Long Term	1.59	ACUITE C (Downgraded from ACUITE BBB Stable)
16 Feb 2024	Cash Credit	Long Term	20.00	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Term Loan	Long Term	1.18	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Term Loan	Long Term	4.57	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Working Capital Term Loan	Long Term	1.30	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Term Loan	Long Term	1.28	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Term Loan	Long Term	0.20	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Term Loan	Long Term	0.51	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Term Loan	Long Term	0.03	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Bank Guarantee/Letter of Guarantee	Long Term	140.00	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Bank Guarantee/Letter of Guarantee	Long Term	35.00	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Working Capital Term Loan	Long Term	1.63	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Cash Credit	Long Term	28.00	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Term Loan	Long Term	2.38	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Proposed Term Loan	Long Term	6.24	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Proposed Bank Guarantee	Long Term	57.68	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Term Loan	Long Term	12.83	ACUITE BBB Stable (Assigned)

	Term Loan	Long Term	0.69	ACUITE BBB Stable (Assigned)
	Bank Guarantee (BLR)	Long Term	40.00	ACUITE BBB Stable (Assigned)
	Bank Guarantee (BLR)	Long Term	20.00	ACUITE BBB Stable (Assigned)
	Term Loan	Long Term	4.88	ACUITE BBB Stable (Assigned)
	Proposed Bank Guarantee	Long Term	13.32	ACUITE BBB Stable (Assigned)
25 Nov 2022	Term Loan	Long Term	8.28	ACUITE BBB Stable (Assigned)
	Cash Credit	Long Term	28.00	ACUITE BBB- Stable (Reaffirmed (Negative to Stable))
	Term Loan	Long Term	2.38	ACUITE BBB- Stable (Reaffirmed (Negative to Stable))
	Cash Credit	Long Term	20.00	ACUITE BBB- Stable (Reaffirmed (Negative to Stable))
	Term Loan	Long Term	2.07	ACUITE BBB- Stable (Reaffirmed (Negative to Stable))
	Term Loan	Long Term	4.57	ACUITE BBB- Stable (Reaffirmed (Negative to Stable))
	Working Capital Term Loan	Long Term	2.60	ACUITE BBB- Stable (Reaffirmed (Negative to Stable))
	Term Loan	Long Term	2.33	ACUITE BBB- Stable (Reaffirmed (Negative to Stable))
	Term Loan	Long Term	0.39	ACUITE BBB- Stable (Reaffirmed (Negative to Stable))
	Term Loan	Long Term	0.80	ACUITE BBB- Stable (Reaffirmed (Negative to Stable))
	Term Loan	Long Term	0.03	ACUITE BBB- Stable (Reaffirmed (Negative to Stable))
	Bank Guarantee/Letter of Guarantee	Long Term	140.00	ACUITE BBB- Stable (Reaffirmed (Negative to Stable))
	Bank Guarantee/Letter of Guarantee	Long Term	35.00	ACUITE BBB- Stable (Reaffirmed (Negative to Stable))
	Working Capital Term Loan	Long Term	1.63	ACUITE BBB- Stable (Reaffirmed (Negative to Stable))
	Proposed Term Loan	Long Term	10.00	ACUITE BBB- Stable (Reaffirmed (Negative to Stable))
	Proposed Term Loan	Long Term	0.20	ACUITE BBB- Stable (Reaffirmed (Negative to Stable))
	Proposed Long Term Loan	Long Term	10.00	ACUITE BBB- Stable (Assigned)
	Proposed Bank Guarantee	Long Term	40.00	ACUITE BBB- Stable (Assigned)
	Working Capital Term Loan	Long Term	0.43	ACUITE BBB- Negative (Reaffirmed (Stable to Negative))
	Proposed Long Term Loan	Long Term	0.19	ACUITE BBB- Negative (Reaffirmed (Stable to Negative))
	Proposed Long Term Loan	Long Term	6.37	ACUITE BBB- Negative (Assigned)
	Proposed Cash Credit	Long Term	3.50	ACUITE BBB- Negative (Assigned)
	Proposed Bank Guarantee	Long Term	8.50	ACUITE BBB- Negative (Assigned)
	Working Capital Term Loan	Long Term	1.63	ACUITE BBB- Negative (Assigned)
	Proposed Bank Guarantee	Long Term	50.00	ACUITE BBB- Negative (Assigned)
	Proposed Bank Guarantee	Long Term	15.00	ACUITE BBB- Negative (Reaffirmed (Stable to Negative))
	Bank Guarantee/Letter of	Long		ACUITE BBB- Negative (Reaffirmed (Stable to

24 Jan 2022	Guarantee	Term	15.00	Negative))
	Bank Guarantee/Letter of Guarantee	Long Term	90.00	ACUITE BBB- Negative (Reaffirmed (Stable to Negative))
	Term Loan	Long Term	0.16	ACUITE BBB- Negative (Reaffirmed (Stable to Negative))
	Term Loan	Long Term	0.68	ACUITE BBB- Negative (Reaffirmed (Stable to Negative))
	Term Loan	Long Term	0.31	ACUITE BBB- Negative (Reaffirmed (Stable to Negative))
	Term Loan	Long Term	0.52	ACUITE BBB- Negative (Reaffirmed (Stable to Negative))
	Term Loan	Long Term	3.34	ACUITE BBB- Negative (Reaffirmed (Stable to Negative))
	Working Capital Term Loan	Long Term	3.90	ACUITE BBB- Negative (Reaffirmed (Stable to Negative))
	Proposed Long Term Loan	Long Term	0.12	ACUITE BBB- Negative (Reaffirmed (Stable to Negative))
	Term Loan	Long Term	4.05	ACUITE BBB- Negative (Reaffirmed (Stable to Negative))
	Term Loan	Long Term	3.24	ACUITE BBB- Negative (Reaffirmed (Stable to Negative))
	Cash Credit	Long Term	16.50	ACUITE BBB- Negative (Reaffirmed (Stable to Negative))
	Term Loan	Long Term	1.26	ACUITE BBB- Negative (Reaffirmed (Stable to Negative))
	Working Capital Demand Loan (WCDL)	Long Term	2.30	ACUITE BBB- Negative (Reaffirmed (Stable to Negative))
	Cash Credit	Long Term	23.00	ACUITE BBB- Negative (Reaffirmed (Stable to Negative))

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Canara Bank	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	230.00	Simple	ACUITE C Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	55.00	Simple	ACUITE C Reaffirmed
Canara Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	40.00	Simple	ACUITE C Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE C Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Bank Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	18.06	Simple	ACUITE C Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	05 Jul 2028	16.01	Simple	ACUITE C Reaffirmed
Bank of Baroda	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	10 Jul 2030	0.58	Simple	ACUITE C Reaffirmed
Canara Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 Dec 2026	1.25	Simple	ACUITE C Reaffirmed
ICICI Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	01 Aug 2025	0.03	Simple	ACUITE C Reaffirmed
SVC Co-Op Bank Limited	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	30 Jan 2027	1.76	Simple	ACUITE C Reaffirmed
Axis Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	05 Jul 2028	4.75	Simple	ACUITE C Reaffirmed
SIRSI URBAN SAHAKARI BANK LIMITED	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	21 Jan 2033	11.49	Simple	ACUITE D Downgraded (from ACUITE C)
HDFC Bank Ltd	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	07 Oct 2027	1.07	Simple	ACUITE C Reaffirmed

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