



Press Release
SPR Constructions
September 06, 2024

Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	4.00	ACUITE BB Downgraded Issuer not co-operating*	-
Bank Loan Ratings	26.00	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	30.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB**' (read as **ACUITE double B**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) and reaffirmed the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 30.00 Cr. bank facilities of SPR Constructions on account of information risk. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

Established in 2005, Hyderabad based SPR Constructions (SPRC) is engaged in executing turnkey projects in the power sector where it lays down transmission and distribution lines and constructs power substation. The firm is headed by Mr. S.Ramamohan Reddy and Mrs. S. Suneetha. Mr. S.Ramamohan Reddy had started their construction activities in the form of a proprietorship firm 2003 and the constitution was changed in 2005 under its current name.

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 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

ratings 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 20 (Provisional)	FY 19 (Actual)
Operating Income	Rs. Cr.	86.92	51.55
PAT	Rs. Cr.	1.79	0.76
PAT Margin	(%)	2.06	1.47
Total Debt/Tangible Net Worth	Times	0.32	0.21
PBDIT/Interest	Times	4.56	3.05

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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
13 Jun 2023	Cash Credit	Long Term	4.00	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	20.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Proposed Short Term Loan	Short Term	6.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
22 Mar 2022	Bank Guarantee/Letter of Guarantee	Short Term	20.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3)
	Proposed Short Term Loan	Short Term	6.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3)
	Cash Credit	Long Term	4.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
05 Jan 2021	Cash Credit	Long Term	4.00	ACUITE BBB- Stable (Assigned)
	Bank Guarantee (BLR)	Short Term	20.00	ACUITE A3 (Assigned)
	Proposed Short Term Bank Facility	Short Term	6.00	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
Indian Overseas Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	20.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Indian Overseas Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	4.00	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)
Not Applicable	Not avl. / Not appl.	Proposed Short Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	6.00	ACUITE A4+ Reaffirmed Issuer not co-operating*

Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President-Rating Operations Tel: 022-49294017 mohit.jain@acuite.in Abhishek Singh Analyst-Rating Operations Tel: 022-49294065 abhishek.s@acuite.in	Varsha Bist Associate Vice President-Rating Administration Tel: 022-49294011 rating.desk@acuite.in

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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