



Press Release
SRINIVASA EDIFICE PRIVATE LIMITED
October 16, 2024
Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	22.00	ACUITE BB+ Downgraded Issuer not co-operating*	-
Bank Loan Ratings	128.00	-	ACUITE A4+ Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	150.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

* The issuer did not co-operate; based on best available information.

Rating Rationale

Acuite has downgraded its long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB**' (read as **ACUITE triple B**) and its short-term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3+**' (read as **ACUITE A three plus**) on Rs.150 Cr. bank facilities of Srinivasa Edifice Private Limited (SEPL).

The downgraded is on account of information risk. The rating is now flagged as “Issuer Not-Cooperating” on account of information risk and is based on the best available information.

About the Company

Vijayawada based, Srinivasa Edifice Private Limited (SEPL) was incorporated in the year 1984 by Mr. Venkata Krishna Mohan Yelamanchi, who is the managing director of the company and possess more than 3 decades of experience in civil construction works. The day to day operations of the company are managed by his son Mr. Yelamanchi Venkata Man Mohan. The company is engaged in supplying of ballasts to Indian railways and also engaged in road and rail contract works. The company is involved in execution of contract works for government departments such as Roads & Buildings department (R&B), irrigation department of Andhra Pradesh, Panchayat Raj, municipal corporations, Rail Vikas Nigam Limited, Ministry of Road Transport & Highways (MORTH), National Highway Authority of India (NHAI).

Unsupported Rating

Not applicable

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 an 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 Sensitivities

"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 (Provisional)	FY 22 (Actual)
Operating Income	Rs. Cr.	251.90	215.29
PAT	Rs. Cr.	11.98	4.71
PAT Margin	(%)	4.75	2.19
Total Debt/Tangible Net Worth	Times	1.00	0.80
PBDIT/Interest	Times	3.46	3.19

Status of non-cooperation with previous CRA

Not applicable

Any other information

None

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>
- Rating Process and Timeline: <https://www.acuite.in/view-rating-criteria-67.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. Acuité'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
21 Sep 2023	Cash Credit	Long Term	2.00	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Cash Credit	Long Term	2.00	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Cash Credit	Long Term	4.00	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Cash Credit	Long Term	14.00	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Proposed Short Term Bank Facility	Short Term	8.50	ACUITE A3+ (Upgraded from ACUITE A3)
	Bank Guarantee (BLR)	Short Term	28.00	ACUITE A3+ (Upgraded from ACUITE A3)
	Bank Guarantee (BLR)	Short Term	30.00	ACUITE A3+ (Upgraded from ACUITE A3)
	Bank Guarantee (BLR)	Short Term	31.50	ACUITE A3+ (Upgraded from ACUITE A3)
	Bank Guarantee (BLR)	Short Term	30.00	ACUITE A3+ (Upgraded from ACUITE A3)
23 Jun 2022	Cash Credit	Long Term	14.00	ACUITE BBB- Stable (Reaffirmed)
	Proposed Cash Credit	Long Term	20.00	ACUITE BBB- Stable (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	7.75	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	30.00	ACUITE A3 (Reaffirmed)
	Proposed Short Term Bank Facility	Short Term	78.25	ACUITE A3 (Reaffirmed)
18 May 2021	Proposed Short Term Bank Facility	Short Term	78.25	ACUITE A3 (Assigned)
	Proposed Cash Credit	Long Term	20.00	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	14.00	ACUITE BBB- Stable (Assigned)
	Bank Guarantee (BLR)	Short Term	7.75	ACUITE A3 (Assigned)
	Bank Guarantee (BLR)	Short Term	30.00	ACUITE A3 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
HDFC Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.00	Simple	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A3+)
Kotak Mahindra Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	31.50	Simple	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A3+)
Karur Vysya Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.00	Simple	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A3+)
Punjab National Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	28.00	Simple	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A3+)
Punjab National Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.00	Simple	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB)
Karur Vysya Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.00	Simple	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB)
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	14.00	Simple	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB)
Kotak Mahindra Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB)
Not Applicable	Not avl. / Not appl.	Proposed Short Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	8.50	Simple	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A3+)

* The issuer did not co-operate; based on best available information.

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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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