

## Press Release

**Shelke Constructions Private Limited (Erstwhile Shelke Constructio**

**December 07, 2022**



### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	34.00	ACUITE BB+   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	66.00	-	ACUITE A4+   Downgraded   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	100.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and the short term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3**' (read as **ACUITE A three**) on the Rs.100.00 crore bank facilities of Shelke Constructions Private Limited. The 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

Pune based Shelke Construction (SC) was a proprietorship concern established in 1993 by Mr. Babanrao Shelke. The firm was reconstituted to a private limited company in 2021 and is renamed as 'Shelke Construction Private Limited'. The company is engaged as a class 1 EPC contractor for state and central government undertaking projects for roads, irrigation, canals, pipeline works, bridges, national highways and railways.

### 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 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 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 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 upon."

### Outlook:

Not Applicable

### Key Financials:

The issuer has not provided with the latest financial statements for Acuite to comment.

### Status of non-cooperation with previous CRA

None

### Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups

### 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>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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
05 Oct 2021	Cash Credit	Long Term	2.00	ACUITE BBB-   Stable (Reaffirmed)
	Proposed Bank Facility	Short Term	17.00	ACUITE A3 (Reaffirmed)
	Bank Guarantee	Short Term	12.00	ACUITE A3 (Reaffirmed)
	Proposed Bank Facility	Long Term	3.00	ACUITE BBB-   Stable (Reaffirmed)
	Bank Guarantee	Short Term	12.00	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	13.00	ACUITE BBB-   Stable (Reaffirmed)
	Bank Guarantee	Short Term	25.00	ACUITE A3 (Reaffirmed)

	Cash Credit	Long Term	16.00	ACUITE BBB-   Stable (Reaffirmed)
10 Jun 2020	Bank Guarantee	Short Term	12.00	ACUITE A3 (Upgraded from ACUITE A4+)
	Cash Credit	Long Term	16.00	ACUITE BBB-   Stable (Upgraded from ACUITE BB+   Stable)
	Cash Credit	Long Term	13.00	ACUITE BBB-   Stable (Upgraded from ACUITE BB+   Stable)
	Bank Guarantee	Short Term	12.00	ACUITE A3 (Upgraded from ACUITE A4+)
06 May 2020	Cash Credit	Long Term	13.00	ACUITE BB+   Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	9.00	ACUITE BB+ (Withdrawn)
	Bank Guarantee	Short Term	12.00	ACUITE A4+ (Reaffirmed)
	Proposed Bank Facility	Short Term	23.00	ACUITE A4+ (Withdrawn)
	Bank Guarantee	Short Term	12.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	16.00	ACUITE BB+   Stable (Reaffirmed)
29 Oct 2019	Proposed Bank Facility	Short Term	23.00	ACUITE A4+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	12.00	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	16.00	ACUITE BB+ (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	9.00	ACUITE BB+ (Issuer not co-operating*)

## 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 Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	12.00	ACUITE A4+   Downgraded   Issuer not co-operating*
Karnataka Bank Ltd	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	12.00	ACUITE A4+   Downgraded   Issuer not co-operating*
Catholic Syrian Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	12.00	ACUITE A4+   Downgraded   Issuer not co-operating*
Karnataka Bank Ltd	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	13.00	ACUITE A4+   Downgraded   Issuer not co-operating*
Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	16.00	ACUITE BB+   Downgraded   Issuer not co-operating*
Karnataka Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	13.00	ACUITE BB+   Downgraded   Issuer not co-operating*
Catholic Syrian Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	2.00	ACUITE BB+   Downgraded   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	3.00	ACUITE BB+   Downgraded   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Short Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	17.00	ACUITE A4+   Downgraded   Issuer not co-



## Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 <a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a>  Radhika Kolwankar Analyst-Rating Operations Tel: 022-49294065 <a href="mailto:radhika.kolwankar@acuite.in">radhika.kolwankar@acuite.in</a>	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>

### 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.

**Disclaimer:** An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.acuite.in](http://www.acuite.in)) for the latest information on any instrument rated by Acuité.