

## Press Release

V V C REALINFRA PRIVATE LIMITED

May 26, 2023

Rating Downgraded and Issuer not co-operating



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rat
Bank Loan Ratings	20.96	ACUITE BB+   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	88.00	-	ACUITE A4+   Downgraded   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	108.96	-	-

## Rating Rationale

Acuite has downgraded the long-term rating from 'ACUITE BBB' (read as ACUITE triple B) to 'ACUITE BB+' (read as ACUITE double B plus) and short term rating from 'ACUITE A3+' (read as A three plus) to 'ACUITE A4+' (read as ACUITE A4 plus) on Rs. 108.96 Cr. bank facilities of V V C REALINFRA PRIVATE LIMITED. 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

Incorporated in 2013, VVC Realinfra Private Limited (VVC RPL) is Guna, Madhya Pradesh based company, engaged into the business of civil & structural works, roads & bridges work, building, railways work & various civil construction works for the state government of Madhya Pradesh, Central Government and Indian Railways. The business was started as a partnership firm in 2006 and changed constitution to a closely held company in 2013 with name changed to its current name. Currently, the company is headed by Mr Vinod Kumar Lahoti, Mr Virendra Kumar Agrawal, Mr Narendra Kumar Lahoti and Mr Rajendra Kumar Agrawal, who all are promoter directors.

## 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 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 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 upon.

**Outlook**

Not Applicable.

**Other Factors affecting Rating**

None.

**Key Financials:**

The rated entity has not shared the latest financial statements despite repeated requests.

**Status of non-cooperation with previous CRA**

None.

**Any other information**

None.

**Applicable Criteria**

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.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
17 Mar 2022	Bank Guarantee	Short Term	52.00	ACUITE A3+ (Assigned)
	Cash Credit	Long Term	10.00	ACUITE BBB   Stable (Assigned)
	Covid Emergency Line.	Long Term	1.96	ACUITE BBB   Stable (Assigned)
	Bank Guarantee	Short Term	36.00	ACUITE A3+ (Assigned)
	Cash Credit	Long Term	9.00	ACUITE BBB   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Axis Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	52.00	ACUITE A4+   Downgraded   Issuer not co-operating*
HDFC Bank Ltd	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	36.00	ACUITE A4+   Downgraded   Issuer not co-operating*
Axis Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	10.00	ACUITE BB+   Downgraded   Issuer not co-operating*
HDFC Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	9.00	ACUITE BB+   Downgraded   Issuer not co-operating*
Axis Bank	Not Applicable	Covid Emergency Line.	Not Applicable	Not Applicable	Not Applicable	Simple	1.96	ACUITE BB+   Downgraded   Issuer not co-operating*

## 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>  Sakshi Seksaria Analyst-Rating Operations Tel: 022-49294065 <a href="mailto:sakshi.seksaria@acuite.in">sakshi.seksaria@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.

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