



**Press Release**  
**MVV AND GV HOUSING LLP (ERSTWHILE MVV AND GV HOUSING)**  
**March 25, 2025**  
**Rating Reaffirmed and Withdrawn**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	18.16	ACUITE D   Reaffirmed & Withdrawn	-
Bank Loan Ratings	221.84	Not Applicable   Withdrawn	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	240.00	-	-

**Rating Rationale**

Acuite has reaffirmed and withdrawn its long term rating of 'ACUITE D' (read as ACUITE Do) on the Rs.18.16 Cr. bank facilities of MVV And GV Housing LLP (Erstwhile MVV And GV Housing.) The rating is being withdrawn on account of request received from the company, and NOC (No Objection Certificate) received from the banker.

Acuite has also withdrawn its rating on the proposed long-term facilities of Rs 221.84 Cr. of MVV And GV Housing LLP (Erstwhile MVV And GV Housing) without assigning any rating as it is a proposed facility. The rating has been withdrawn on account of the request received from the company.

The withdrawal is in accordance with Acuite's policy on withdrawal of ratings as applicable to the respective facility / instrument.

**Rationale for reaffirmation**

The reaffirmation is based on ongoing delays reported in servicing of debt obligation in loan account statement of MVV And GV Housing LLP.

**About the Company**

MVV And GV Housing LLP (Erstwhile MVV And GV Housing) was a partnership firm established in September 2020 which was converted into a limited liability partnership in the year 2023. The firm is engaged in execution of residential projects. The firm was started by Mr. M.V.V. Satyanarayana and Mr. G Venkateswara Rao. The registered office of the LLP is based in Visakhapatnam.

**Unsupported Rating**

Not Applicable

**Analytical Approach**

Acuite has considered the standalone business and financial risk profile of MVV and GV Housing LLP to arrive at the rating.

**Key Rating Drivers**

**Strengths**

**Established track record of operations**

MVV group (MVVG) is a Vishakhapatnam based residential developer promoted by Mr. M.V.V. Satyanarayana and Ms. M.N. Jyothi. MVV group started its journey as proprietary concern in 1990s and has more than three decades experience and track record in construction of residential projects in Vizag. MVV group is one of the top three player in Vizag city; group has sold over 1.07 Cr. Sq.fts of saleable area spread over 81 projects in AP and TS. Promoters of the group has extensive experience in real estate industry in Vizag city for almost three decades, which has enabled them in maintain strong relation with its suppliers and good brand image among its customers.

## **Weaknesses**

### **Instances of delays in servicing of debt obligation**

Instances of delays in servicing of term loan obligation by the company in recent past as observed in its loan account statement and as confirmed by the banker.

### **Project risk and execution risk**

The ongoing project 'The Grand' has the total saleable area of 33,15,525 Sq fts, out of total saleable area firm's share is 30,73,767 Sq fts with the total project cost of Rs.976.56 Cr. The total project cost is to be funded through promotor's contribution of Rs.63.95 Cr., bank loan of Rs.200 Cr. and balance through collections from customer advances. The promoters are high net worth individuals and group companies being debt averse further mitigate the funding risk. The firm has incurred Rs.236.38 Cr. till February 2025 against which it has already received booking of 564 units and received the customer advances of Rs.172.43 Cr. as on February 2025. The construction of the project started on October 2022. The project is expected to get completed by October 2028. While there are inherent project risks as being in nascent stage of construction, the risk is mitigated to some extent as the group has established track record of completion of projects in timely manner. However, any delay in completion of the project may led to cost and time overruns which will remain a key rating sensitivity going ahead. Acuité believes that timely infusion of funds from promoters, timely funding of bank loan and receipt of customer advances will be a key monitorable.

### **Susceptibility to Real Estate Cyclical and Regulatory Risks**

The real estate industry in India is highly fragmented with most of the real estate developers, having a city specific or region-specific presence. The risks associated with real estate industry are cyclical in nature and directly linked to drop in property prices and interest rate risks, which could affect the operations. Given the high level of financial leverage, the high cost of borrowing prevents the real estate's developers' from significantly reducing prices to boost sales growth. Moreover, the industry is also exposed to certain regulatory risks linked to stamp duty and registration tax directly impacting the demand and thus the operating growth of real estate players.

### **Rating Sensitivities**

Not Applicable

### **Liquidity Position**

#### **Stretched**

Liquidity position of the company is marked stretched due to instance of delay in servicing of term loan obligation by the company in recent past.

### **Outlook: Not Applicable**

### **Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	10.31	0.00
PAT	Rs. Cr.	0.58	0.00
PAT Margin	(%)	5.59	0.00
Total Debt/Tangible Net Worth	Times	0.19	0.16
PBDIT/Interest	Times	2.07	0.00

**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>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Real Estate Entities: <https://www.acuite.in/view-rating-criteria-63.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
06 Feb 2025	Proposed Long Term Bank Facility	Long Term	200.00	ACUITE C (Downgraded from ACUITE BB+   Stable)
	Proposed Long Term Bank Facility	Long Term	21.84	ACUITE C (Assigned)
	Term Loan	Long Term	7.45	ACUITE D (Assigned)
	Term Loan	Long Term	10.71	ACUITE D (Assigned)
24 Apr 2024	Term Loan	Long Term	200.00	ACUITE BB+   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	200.00	Simple	Not Applicable Withdrawn
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	21.84	Simple	Not Applicable Withdrawn
Kotak Mahindra Bank	Not avl. / Not appl.	Term Loan	23 Feb 2024	Not avl. / Not appl.	20 Feb 2027	7.45	Simple	ACUITE D   Reaffirmed & Withdrawn
Kotak Mahindra Bank	Not avl. / Not appl.	Term Loan	09 May 2024	Not avl. / Not appl.	25 May 2027	10.71	Simple	ACUITE D   Reaffirmed & Withdrawn

## Contacts

Mohit Jain Senior Vice President-Rating Operations	<b>Contact details exclusively for investors and lenders</b>
Amay Gupta Analyst-Rating Operations	Mob: +91 8591310146 Email ID: <a href="mailto:analyticalsupport@acuite.in">analyticalsupport@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. Please visit <https://www.acuite.in/faqs.htm> to refer FAQs on Credit Rating.

**Note:** None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.