



Press Release

Srinivas Infrastructure Private Limited

August 25, 2020

Ratings

Facilities	Amount (INR crore)	Current Ratings	Previous Ratings	Rating Action
Long Term Fund Based Limit	7.00	IVR BB+ (IVR Double BB Plus) ISSUER NOT COOPERATING*	IVR BBB-/Stable Outlook (IVR Triple B Minus with Stable Outlook)	Revised and moved to ISSUER NOT COOPERATING category
Short Term Non- Fund Based Limit	10.00	IVR A4+ (IVR Single A Four Plus) ISSUER NOT COOPERATING*	IVR A3 (IVR Single A Three)	Revised and moved to ISSUER NOT COOPERATING category
Total	17.00			

**Issuer not cooperating, based on best available information*

Details of Facilities are in Annexure 1

Detailed Rationale

The aforesaid rating revision to the bank facilities of Srinivas Infrastructure Private Limited reflects lack of adequate information available about the performance of the company and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the rating revision.

Note on non-cooperation



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Infomerics has repeatedly followed up with the company to provide information to monitor the rating(s) vide e-mail July 14th, 2020, July 22nd, 2020, August 12th, 2020. However, despite repeated requests, the company has failed to submit “No Default Statement” for the month of July, Audited financial statements for FY19 and other data for review.

Availability of information is very critical in rating exercise. In the absence of the relevant information, in consonance with SEBI guidelines, Infomerics has moved the long-term rating and short-term rating for the bank loan facilities of Srinivas Infrastructure Private Limited aggregating to INR 17.00 crore to the ‘ISSUER NOT COOPERATING’ category. The rating is now denoted as IVR BB+ ISSUER NOT COOPERATING/ IVR A4+ ISSUER NOT COOPERATING (pronounced IVR Double B Plus ISSUER NOT COOPERATING/ IVR Single A Four Plus ISSUER NOT COOPERATING)

Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Analytical Approach & Applicable Criteria

Standalone

Rating Methodology for Infrastructure Sector Companies

Financial Ratios & Interpretation (Non-Financial Sector)

Guidelines on what constitutes Non-Cooperation by Clients

About the Company

Srinivas Infrastructure Private Limited (SIPL) is a private limited company incorporated in 1995. It commenced its operations in the year 2002-03. The company is involved in the construction and development of infrastructure projects. SIPL carries out major projects of heavy and civil engineering construction like culverts, bridges, infrastructure for irrigation canals etc. In addition, the company also supplies metals and ballast to the railways.

Financials*

(INR crore)



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For the year ended / As on	31-03-18	31-03-19
	Audited	Audited
Total Operating Income	65.10	50.61
EBITDA	7.34	7.43
PAT	2.15	2.71
Total Debt	10.84	32.67
Tangible Net worth	18.34	21.04
Ratios		
a. EBIDTA Margin (in %)	11.27	14.68
b. PAT Margin (in %)	4.83	5.35
c. Overall Gearing ratio (x)	0.59	1.14

Note: The above figures are as per information available on the MCA website.

*Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: India Ratings and research in their press Release dated on January 16, 2020 has classified the case under Issuer Not Cooperating status on account of non-submission of relevant information

Any other information: None

Rating History for last three years:

Sl. No.	Name of Instrument/Facilities	Type	Current Rating (Year 2020-21)		Rating History for the past 3 years		
			Amount outstanding (INR crore)	Assigned Rating	Date(s) & Rating(s) assigned in 19-20 (July 09, 2019)	Date(s) & Rating(s) assigned in 18-19	Date(s) & Rating(s) assigned in 17-18
1.	Fund Based Limits – Cash Credit	Long Term	7.00	IVR BB+ ISSUER NOT COOPERATING	IVR BBB- /Stable Outlook	-	-



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2.	Non Fund Based Limits – Bank Guarantee	Short Term	10.00	IVR A4+ ISSUER NOT COOPERATING	IVR A3	-	-
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Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

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About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Company's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities



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Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
Long Term Fund Based Limit – Cash Credit	--	--	Revolving	7.00	IVR BB+ Issuer Not Cooperating
Short Term Fund Based Limit – Bank Guarantee	--	--	--	10.00	IVR A4+ Issuer Not Cooperating