



Press Release

Raghava Constructions (India) Private Limited (RCIPL)

June 03, 2022

Ratings:

(INR Crore)

Sr. No	Instrument/Facility	Amount	Current Ratings	Rating Action	Complexity Indicator
1.	Long Term Bank Facilities (Cash Credit)	100.00**	IVR BB/ ISSUER NOT COOPERATING* (IVR Double B ISSUER NOT COOPERATING)	Revised and Continued as ISSUER NOT COOPERATING	Simple
2.	Long Term/Short Term Non-Fund Based Facility	584.00***	IVR BB/ ISSUER NOT COOPERATING* (IVR Double B ISSUER NOT COOPERATING)/I VR A4 (IVR A Four ISSUER NOT COOPERATING)	Revised and Continued as ISSUER NOT COOPERATING	Simple
3	Short Term Non-Fund Based Facility – Letter of Credit	66.00	IVR A4 ISSUER NOT COOPERATING* (IVR A Four ISSUER NOT COOPERATING)	Revised and Continued as ISSUER NOT COOPERATING	Simple
	Total	750.00			

*Issuer did not cooperate; based on best available information.

**Includes INR 45.00 Crore of proposed limit

***Includes INR 234.00 Crore of proposed limit

Details of Facilities are in Annexure 1

Detailed Rationale:

The rating revision is because of lack of adequate information regarding Raghava Constructions (India) Private Limited (RCIPL) and hence 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.



Press Release

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 downgrade.

Non-cooperation by Issuer:

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications dated May 17th, 2022, and May 24th, 2022, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details and fees for surveillance exercise.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term ratings for the bank loan facilities aggregating to INR 750.00 Crore of Raghava Constructions (India) Private Limited (RCIPL) shall continue to remain in the 'ISSUER NOT COOPERATING' category by Infomerics and the rating downgraded to 'IVR BB/A4 ISSUER NOT COOPERATING; based on best available information (IVR BB+/A4+ ISSUER NOT COOPERATING); based on best available information. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

Analytical Approach: Standalone

Applicable Criteria:

Rating Methodology for [Infrastructure Sector](#)

[Financial Ratios & Interpretation](#) (Non-Financial Sector)

[Guidelines on what constitutes Non-Cooperation by clients.](#)

About the Company:

RCIPL started as a Sole Proprietary concern in 1991 and then reconstituted as a Partnership firm in 2003. The Partnership firm reconstituted as private limited company with a name Raghava Constructions (India) Private Limited on 12/12/2019. The entire assets & liabilities of M/s Raghava Constructions has transferred to private limited company on a going concern basis. The Company is registered as a Special class contractor with irrigation department of Government of Telangana.



Press Release

Financials: Standalone

(INR Crore)

For the year ended/ As On	31-03-2018	31-03-2019
	(Audited)	(Audited)
Total Operating Income	1082.09	1364.32
EBITDA	96.92	135.63
PAT	111.27	118.68
Total Debt	66.97	87.08
Tangible Net-worth	246.07	303.87
Ratios		
EBITDA Margin (%)	8.96	9.94
PAT Margin (%)	9.98	8.69
Overall Gearing Ratio (x)	0.27	0.29

Status of non-cooperation with previous CRA: NIL

Any other information: NIL

Rating History for last three years:

(INR Crore)

Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount	Rating	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21 (March 22, 2021)	Date(s) & Rating(s) assigned in 2019-20 (Jan 23, 2020)
1.	Long Term Bank Facilities (Cash Credit)	Long Term	100.00**	IVR BB/ISSUER NOT COOPERATING*	--	IVR BB+ISSUER NOT COOPERATING*	IVR BBB-/Stable Outlook
2.	Long Term/Short Term Non-Fund Based Facility	Long/Short Term	584.00***	IVR BB/ISSUER NOT COOPERATING*/IVR A4	--	IVR BB+ISSUER NOT COOPERATING/IVR A4+	IVR A3
3.	Short Term Non-Fund Based Facility – Letter of Credit	Short Term	66.00	IVR A4ISSUER NOT COOPERATING*	--	IVR A4+ISSUER NOT COOPERATING*	IVR BBB - Stable Outlook/IVR A3
	Total		750.00				

*Issuer did not cooperate; based on best available information.

**Includes INR 45.00 Crore of proposed limit

***Includes INR 234.00 Crore of proposed limit



Press Release

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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. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. 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



Press Release

Annexure 1: Details of Facilities:

(INR Crore)					
Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility	Rating Assigned/ Outlook
Long Term Bank Facilities-Cash Credit	--	--	--	100.00	IVR BB/ ISSUER NOT COOPERATING*
Long Term/Short Term Non-Fund Based Facility	--	--	--	584.00	IVR BB/ ISSUER NOT COOPERATING/ I VR A4
Short Term Non-Fund Based Facility – Letter of Credit	--	--	--	66.00	IVR A4 ISSUER NOT COOPERATING*

* Issuer did not cooperate; based on best available information.

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details: Not Available

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

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