



## Press Release

### K.C.V.R Infra Projects Private Limited (KCVR)

**April 02, 2024**

#### Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Long Term Fund Based Bank Facilities – Cash Credit	15.00	IVR BB+/ Negative, ISSUER NOT COOPERATING*/ (IVR Double B Plus with Negative Outlook; ISSUER NOT COOPERATING*)	Downgraded & Moved to ISSUER NOT COOPERATING Category	Simple
Short Term Non-Fund Based Bank Facilities – Bank Guarantee	115.00	IVR A4+, ISSUER NOT COOPERATING*/ (IVR A Four Plus; ISSUER NOT COOPERATING*)	Downgraded & Moved to ISSUER NOT COOPERATING Category	Simple
	<b>130.00</b> <b>(Rupees One Hundred and Thirty Crore only)</b>			

*\* Issuer not cooperating; Based on best available information*

#### Detailed Rationale

The change in the ratings assigned to the bank facilities of K.C.V.R Infra Projects Private Limited (KCVR) reflects lack of adequate information available about the performance of the company. 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.



## Press Release

### **Note on non-cooperation**

Infomerics has repeatedly followed up with the company to provide information to monitor the ratings vide emails last being dated Feb 15<sup>th</sup> 2024, along with telephonic conversations. However, despite repeated requests by Infomerics, we have not received any information and company has expressed unwillingness to continue further with Infomerics.

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 ratings assigned to the bank loan facilities of K.C.V.R Infra Projects Private Limited aggregating to Rs. 130.00 crore to the 'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR BB+/ Negative ISSUER NOT COOPERATING for the long-term bank facilities and A4+ ISSUER NOT COOPERATING for the short-term bank facilities.

### **Analytical Approach: Standalone**

#### **Applicable Criteria**

[Rating Methodology for Infrastructure Companies](#)

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

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

[Criteria of assigning Rating Outlook](#)

[Default Recognition Criteria](#)

[Complexity level of rated instruments/facilities](#)

#### **About the company/Firm**

K.C.V.R Infra Projects Private Limited (KCVR), established in 1994, is located in Hyderabad, Telangana. KCVR is involved in civil construction and related work (mainly roads). In 1965, the partnership firm, K.C. Venkat Reddy & Co, was formed, which was converted into a private limited company in 2011 by the name KCVR Infra Projects Private Limited. KCVR is promoted



## Press Release

by Mr. K.V. Jagan Mohan Reddy and his family members. KCVR is awarded special class status by Government of Andhra Pradesh.

### Financials (Standalone)\*:

(Rs. crore)

For the year ended / As on	31-Mar-2021 (Audited)	31-Mar-2022 (Audited)
Total Operating Income	171.43	154.87
EBITDA	17.43	15.74
PAT	6.81	5.97
Total Debt	44.32	37.18
Adjusted Tangible Net worth	50.18	58.76
EBITDA Margin (%)	10.17	10.16
PAT Margin (%)	3.95	3.82
Adjusted Overall Gearing Ratio (times)	0.88	0.63

\*Classification as per Infomerics' standards

### Status of non-cooperation with previous CRA:

India Ratings & Research and Acuite Ratings & Research has continued to classify the bank facilities of KCVR under ISSUER NOT COOPERATING category vide their press release dated July 24, 2023 and August 09, 2023, respectively as issuer did not cooperate and based on the best available information.

**Any other information:** None



## Press Release

Rating History for last three years:

Sr. No.	Name of Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23 (PR dated 15 Feb 2023)	Date(s) & Rating(s) assigned in 2021-22 (PR dated 17 Nov 2022)
1.	Long Term Fund Based Bank Facilities – Cash Credit	Long Term	0.00	-	-	-	IVR BB+ (INC)
2.	Long Term Fund Based Bank Facilities - Term Loan	Long Term	15.00	IVR BB+/ Negative, ISSUER NOT COOPERATING *	-	IVR BBB- /Stable	IVR BB+ (INC)
3.	Short Term Non-Fund Based Bank Facilities – Bank Guarantee	Short Term	115.00	IVR A4+, ISSUER NOT COOPERATING *	-	IVR A3	IVR A4+ (INC)
4.	Short Term Non-Fund Based Bank Facilities - Letter of Credit	Short Term	0.00	-	-	-	IVR A4+ (INC)

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



## Press Release

### Name and Contact Details of the Rating Team:

Name: Amit Bhuwania

Tel: (022) 62396023

Email: [abhuwania@infomerics.com](mailto:abhuwania@infomerics.com)

### About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit [www.infomerics.com](http://www.infomerics.com).

**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 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



## Press Release

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: Not Applicable**

**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](http://www.infomerics.com)