



## Press Release

**P. Venkata Ramanaiah Engineers and Contractors Private Limited**

**October 04<sup>th</sup>, 2023**

**Ratings:**

<b>Facilities/ Instruments</b>	<b>Amount (Rs. crore)</b>	<b>Current Ratings*</b>	<b>Previous Ratings*</b>	<b>Rating Action</b>	<b>Complexity Indicator (Simple/High /Complex)</b>
Long Term Fund Based Bank Facilities – Cash Credit	18.00	IVR BB+/Negative, ISSUER NOT COOPERATING (IVR Double B Plus with Negative Outlook; ISSUER NOT COOPERATING)	IVR BBB- /Stable  (IVR Triple B Minus; Outlook: Stable)	Revised and Migrated to ISSUER NOT COOPERATING category	<a href="#">Simple</a>
Long Term/ Short Term Non-Fund Based Bank Facilities – Bank Guarantee	85.00	IVR BB+/Negative; IVR A4+; ISSUER NOT COOPERATING (IVR Double B Plus with Negative Outlook; IVR A Four Plus; ISSUER NOT COOPERATING)	IVR BBB- /Stable/ IVR A3  (IVR Triple B Minus; Outlook: Stable/IVR A Three)	Revised and Migrated to ISSUER NOT COOPERATING category	<a href="#">Simple</a>
Long Term Fund Based Bank Facilities – Overdraft	4.00	IVR BB+/Negative, ISSUER NOT COOPERATING (IVR Double B Plus with Negative Outlook; ISSUER NOT COOPERATING)	IVR BBB- /Stable  (IVR Triple B Minus; Outlook: Stable)	Revised and Migrated to ISSUER NOT COOPERATING category	<a href="#">Simple</a>
Long Term Fund Based Bank Facilities – Proposed Cash Credit	13.00	IVR BB+/Negative, ISSUER NOT COOPERATING (IVR Double B Plus with Negative Outlook; ISSUER NOT COOPERATING)	IVR BBB- /Stable  (IVR Triple B Minus; Outlook: Stable)	Revised and Migrated to ISSUER NOT COOPERATING category	<a href="#">Simple</a>
<b>Total</b>	<b>120.00</b>	<b>(Rupees One Hundred and Twenty Crore Only)</b>			

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



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### **Details of Facilities are in Annexure 1**

#### **Detailed Rationale**

The aforesaid rating revision to the bank facilities of P. Venkata Ramanaiah Engineers and Contractors 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.**

Infomerics has repeatedly followed up with the company to provide information to monitor the rating(s) vide e-mail June 29, 2023, September 26, 2023, September 29, 2023, October 02, 2023, along with telephonic conversations. However, despite repeated requests, the company has failed to submit Audited financial statements for FY23 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 ratings assigned to the bank loan facilities of P. Venkata Ramanaiah Engineers and Contractors Private Limited aggregating to INR 120.00 crore to the 'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR BB+/ Negative Outlook; ISSUER NOT COOPERATING (pronounced IVR Double B Plus with Negative Outlook; ISSUER NOT COOPERATING) and IVR A4+ ISSUER NOT COOPERATING (IVR 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:** Standalone Approach



## Press Release

### Applicable Criteria:

[Rating Methodology for Manufacturing Companies](#)

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

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

### **About the Company**

Established as a partnership firm by Mr. P. Venkata Ramaniah and his family members in 1988, P. Venkata Ramaniah Engineers and Contractors was reconstituted as a private limited company and renamed as P. Venkata Ramaniah Engineers and Contractors Private Limited (PVRECPL) in January 2019. The company is based out of Hyderabad and is into execution of EPC works.

### Financials (Standalone):

(In Crore)

For the year ended / INR. Crore	31-03-2022	31-03-2023
	Audited	Provisional
Total Operating Income	252.91	230.20
PAT	15.76	13.39
Total Debt	44.71	52.13
Tangible Net Worth	57.13	70.42
<b>Ratios</b>		
PAT Margin (%)	6.16	5.78
Overall Gearing Ratio (x)	0.78	0.74

*\*Classification as per Infomerics' standards.*

**Status of non-cooperation with previous CRA: None**

**Any other information: None**



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Rating History for last three years:

Sl. No	Name of Instrument/Facilities	Type	Current Rating (Year 2023-24)		Rating History for the past 3 years		
			Amount outstanding (INR crore)	Assigned Rating	Date(s) & Rating(s) assigned in 22-23 (July 06, 2022)	Date(s) & Rating(s) assigned in 21-22 (June 09, 2021)	Date(s) & Rating(s) assigned in 20-21 (April 29, 2020)
1.	Long Term Fund Based Bank Facilities – Cash Credit	Long Term	18.00	IVR BB+/Negative, ISSUER NOT COOPERATING (IVR Double B Plus with Negative Outlook; ISSUER NOT COOPERATING)	IVR BBB- / Stable	IVR BBB- / Stable	IVR BBB- / Stable
2.	Long Term/Short Term Non-Fund Based Bank Facilities – Bank Guarantee	Long Term /Short Term	85.00	IVR BB+/Negative; IVR A4+; ISSUER NOT COOPERATING (IVR Double B Plus with Negative Outlook; IVR A Four Plus; ISSUER NOT COOPERATING)	IVR BBB- / Stable; IVR A3	IVR BBB- / Stable; IVR A3	IVR BBB- / Stable; IVR A3
	Long Term Fund Based Bank Facilities – Overdraft	Long Term	4.00	IVR BB+/Negative, ISSUER NOT COOPERATING (IVR Double B Plus with Negative Outlook; ISSUER NOT COOPERATING)	IVR BBB- / Stable	-	-
	Long Term Fund Based Bank Facilities – Proposed Cash Credit	Long Term	13.00	IVR BB+/Negative, ISSUER NOT COOPERATING (IVR Double B Plus with Negative Outlook; ISSUER NOT COOPERATING)	IVR BBB- / Stable	-	-



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### **Name and Contact Details of the Rating Analyst:**

Name: Amey Joshi

Tel: (022) 62396023

Email: [amey.joshi@infomerics.com](mailto:amey.joshi@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 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.



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**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 applicable**

**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)