

July 26, 2024

Cherian Varkey Construction Company Private Limited: Ratings Withdrawn

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Fund-based – Cash Credit	84.00	84.00	[ICRA]BBB+ (Negative); ISSUER NOT COOPERATING*; withdrawn
Long-Term/Short-Term – Non-Fund Based – Bank Guarantee	200.00	200.00	[ICRA]BBB+ (Negative)/ [ICRA]A2; ISSUER NOT COOPERATING*; withdrawn
Total	284.00	284.00	

[^]Instrument details are provided in Annexure-I

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

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **Cherian Varkey Construction Company Private Limited** at the request of the company and based on the No Objection Certificate received from the bankers, and in accordance with ICRA's policy on withdrawal. ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

The Key rating drivers, Liquidity position, Rating sensitivities and Key financial indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Policy on withdrawal of Credit Ratings Policy in respect of non-cooperation by the rated entity Construction
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

About the company

Cherian Varkey Construction Company Private Limited (CVCC) is a Kochi-based construction contractor. It was established in 1975 as a proprietorship concern by Mr. Cherian Varkey. Reconstituted in 2000 as a private limited company, CVCC undertakes contracts primarily in the infrastructure segment for construction of roads, bridges, metro projects, etc, and buildings for private players. Its major clients include government departments in Kerala such as Kerala PWD, Kerala State Construction Corporation and private players. Apart from its contracts division, it has a ready-mix concrete manufacturing division, and a housing division that undertakes small-scale real estate projects. CVCC is closely held by the family of the company's founder, Mr. Cherian Varkey.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Amount rated (Rs. crore)	Current rating (FY2025)		Chronology of rating history for the past 3 years		
			Date & rating in FY2025		Date & rating in FY2024	Date & rating in FY2023	Date & rating in FY2022
			July 26, 2024	Apr 15, 2024	Mar 15, 2024	Jan 30, 2023	Oct 29, 2021
1	Cash credit	84.0	[ICRA]BBB+ (Negative); ISSUER NOT COOPERATING; Withdrawn	[ICRA]BBB+ (Negative); ISSUER NOT COOPERATING	[ICRA]BBB+ (Negative)	[ICRA]A-(Stable)	[ICRA]A-(Stable)
2	Bank guarantee	200.0	[ICRA]BBB+ (Negative)/[ICRA] A2; ISSUER NOT COOPERATING; Withdrawn	[ICRA]BBB+ (Negative)/[ICRA] A2; ISSUER NOT COOPERATING	[ICRA]BBB+ (Negative)/ [ICRA] A2	[ICRA]A- (Stable)/ [ICRA]A2+	[ICRA]A- (Stable)/ [ICRA]A2+
3	Unallocated	0.0	-	-	-	-	[ICRA]A- (Stable)/ [ICRA]A2+

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term – Fund-based – Cash Credit	Simple
Long-term/Short-term – Non-fund based – Bank guarantee	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Fund-based facilities	NA	NA	NA	84.0	[ICRA]BBB+ (Negative); ISSUER NOT COOPERATING; Withdrawn
NA	Non-fund based facilities	NA	NA	NA	200.0	[ICRA]BBB+ (Negative) / [ICRA] A2; ISSUER NOT COOPERATING; Withdrawn

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis – Not Applicable

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