

January 15, 2020

## SVS Mookambika Constructions Private Limited: Continues to remain under Issuer Non-Cooperating category, Long term Rating downgraded based on best available information

### Summary of rated instruments

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term - Fund Based Limits/ CC	13.80	13.80	[ICRA]B+(Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB-(Stable) and Continues to remain under the 'Issuer Not Cooperating' category
Short Term - Non Fund Based limits	11.00	11.00	[ICRA]A4 ISSUER NOT COOPERATING*; Continues to remain under the 'Issuer Not Cooperating' category
Long Term / Short Term - Unallocated Limits	15.20	15.20	[ICRA]B+(Stable)/[ICRA]A4 ISSUER NOT COOPERATING*; Long term Rating downgraded from [ICRA]BB-(Stable) and Continues to remain under the 'Issuer Not Cooperating' category
<b>Total</b>	<b>40.00</b>	<b>40.00</b>	

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

*<sup>^</sup>Instrument details are provided in Annexure-1*

### Rationale

The rating downgrade is because of lack of adequate information regarding SVS Mookambika Constructions Private Limited performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by the rated entity". 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.

As part of its process and in accordance with its rating agreement SVS Mookambika Constructions Private Limited, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA's Rating Committee has taken a rating view based on the best available information.

The previous detailed rating rationale is available on the following link: [Click here](#)

## About the company

SVS Mookambika Constructions Private Limited (SMCPL) was incorporated in 2009 by Mr. MSN Raju and undertakes civil construction projects in Andhra Pradesh, Orissa and Karnataka. The promoters of the company have an experience of over a decade in civil construction business.

## Key financial indicators (Audited)

	FY 2018	FY 2019
Operating Income (Rs. crore)	70.1	80.7
PAT (Rs. crore)	3.1	2.4
OPBDIT/OI (%)	13.7%	16.3%
RoCE (%)	17.1%	18.3%
Total Outside Liabilities/Tangible Net Worth (times)	2.8	3.0
Total Debt/OPBDIT (times)	2.9	1.8
Interest Coverage (times)	3.1	2.5
DSCR	2.8	2.4

Source:MCA

## Status of non-cooperation with previous CRA:

Vide its press release dated June 19, 2019, India Rating's has revised SVS Mookambika Constructions Private Limited's rating to IND D/IND D from IND BB+(Stable)/IND A4+ and classified it as 'non cooperative' as the entity did not provide the requisite information needed to conduct the rating exercise.

## Any other information: None

## Rating history for past three years

All figures in Rs. crore

	Instrument	Rating (FY2020)			Rating History for the Past 3 Years				
		Type	Amount Rated	Amount Outstanding	Current Rating	FY2019		FY2018	FY2017
					January 15, 2020	July 26, 2018	June 15, 2018	-	January 10, 2017
1	Cash Credit	Long Term	13.80	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB-(Stable); ISSUER NOT COOPERATING	[ICRA]BB-(Stable); NDS Non-cooperation	-	[ICRA]BB-(Stable)
2	Bank Guarantee	Short Term	11.00	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; NDS Non-cooperation	-	[ICRA]A4
3	Unallocated Limits	Long Term/ Short Term	15.20	-	[ICRA]B+(Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]BB-(Stable)/A4; ISSUER NOT COOPERATING	[ICRA]BB-(Stable)/A4; NDS Non-cooperation	-	[ICRA]BB-(Stable)/A4

### Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [www.icra.in](http://www.icra.in)

### Annexure-1 Instrument Details

ISIN No	Instrument	Type	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit		NA	NA	NA	13.80	[ICRA]B+(Stable) ISSUER NOT COOPERATING
NA	Bank Guarantee		NA	NA	NA	11.00	[ICRA]A4; ISSUER NOT COOPERATING
NA	Unallocated Limits		NA	NA	NA	15.20	[ICRA]B+(Stable)/A4 ISSUER NOT COOPERATING

Source: SVS Mookambika Constructions Private Limited

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