

## Raghava Project Constructions Private Limited

June 17, 2021

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings	Rating Action
Long Term Bank Facilities	3.25	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE C; Stable; (Single C; Outlook: Stable)
Short Term Bank Facilities	4.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE A4; (A Four)
<b>Total Bank Facilities</b>	<b>7.25</b> <b>(Rs. Seven Crore and Twenty-Five Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated February 03, 2021 placed the rating(s) of Raghava Project Constructions Private Limited under issuer Non-Cooperation category. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating.**

### Detailed description of the key rating drivers

The revision in the ratings assigned to bank facilities of Raghava Project Constructions Private Limited is on account of ongoing delay in servicing the debt obligation in COVID loans.

The company has availed interest deferment on working capital loans from March 2020 to August 2020.

Please refer to PR dated [February 05, 2021](#)

### Analytical Approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[CARE's Policy on Default Recognition](#)

[CARE's Policy on Curing Period](#)

### About the Firm

Andhra Pradesh based, Raghava Project Constructions Private Limited (RPCPL) was incorporated and started commercial operations in the year 2012. The company was promoted by Mr. B. Raghava Rao and Ms. B. Sudha Rani who are directors of the company. Mr. B. Raghava Rao, the Managing Director of the company, also established Raghava & Co., a partnership concern in 2004 along with Ms. B. Sudha Rani which was engaged in construction business. The company has its registered office located at Vijayawada, Andhra Pradesh. RPCPL is engaged in road works construction. The company majorly gets the contracts from government organizations through tenders. The company has its projects in the states of Andhra Pradesh and Orissa.

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)
Total operating income	30.96	22.05
PBILDT	3.16	2.78
PAT	0.82	0.76
Overall gearing (times)	0.78	0.64
Interest coverage (times)	2.78	2.06

**A: Audited**

**Status of non-cooperation with previous CRA:** CRISIL has conducted the review on the basis of the best available information and has classified Raghava Project Constructions Private Limited as “Not cooperating” vide its press releases dated on June 11, 2021

**Any other information:** Not Applicable

**Rating History (Last three years):** Please refer Annexure-2

#### Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Bank Overdraft	-	-	-	3.25	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantees	-	-	-	4.00	CARE D; ISSUER NOT COOPERATING*

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

#### Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings		Rating history				
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1.	Fund-based - LT-Bank Overdraft	LT	3.25	CARE D; ISSUER NOT COOPERATING*	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (05-Feb-21) 2)CARE B; Stable; ISSUER NOT COOPERATING* (09-Dec-19)	1)CARE B; Stable; ISSUER NOT COOPERATING* (09-Dec-19) 2)CARE B; Stable (08-Apr-19)	-
2.	Non-fund-based - ST-Bank Guarantees	ST	4.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (05-Feb-21) 2)CARE A4; ISSUER NOT COOPERATING* (09-Dec-19)	1)CARE A4; ISSUER NOT COOPERATING* (09-Dec-19) 2)CARE A4 (08-Apr-19)	-

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

#### Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not Applicable

#### Annexure 4: Complexity level of various instruments rated for this company

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Bank Overdraft	Simple
2.	Non-fund-based - ST-Bank Guarantees	Simple

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

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### About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporate to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

### Disclaimer

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**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careratings.com](http://www.careratings.com)**