

## SRM Construction

April 19, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	8.00	CARE B; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B+; Stable;
Short Term Bank Facilities	7.00	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

### Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated February 13, 2023, placed the rating(s) of SRM Construction (SC) under the 'issuer non-cooperating' category as SC had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. SC continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 30, 2023, January 09, 2024, January 19, 2024.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'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(s).**

The ratings assigned to the bank facilities of SC have been revised on account of non-availability of requisite information.

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers:

Please refer to PR dated [February 13, 2023](#)

### Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the firm

SRM Construction (SC), established in 2006 as a partnership firm by Mr. S. Boopathy, and four other partners is a Class- A contractor registered with Tamil Nadu State Public Works Department, engaged in the construction of buildings, roads, godowns, and others civil work predominantly for Government of Tamil Nadu.

Brief Financials (₹ crore)	March 31, 2018 (A)	March 31, 2019 (Prov.)
Total operating income	97.86	65.00
PBILDT	11.64	8.63
PAT	7.29	4.30
Overall gearing (times)	0.63	0.14
Interest coverage (times)	16.37	9.88

A: Audited; Prov.: Provisional; Note: 'the above results are latest financial results available'

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Status of non-cooperation with previous CRA:** CRISIL has moved the rating assigned to the bank facilities of SC into Issuer Not Cooperating category vide press release dated September 20, 2023 on account of its inability to carry out a review in the absence of the requisite information from the firm.

**Any other information:** Not Applicable

**Rating history for last three years:** Please refer Annexure-2

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated:** Annexure-4

**Lender details:** Annexure-5

#### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Bank Overdraft		-	-	-	8.00	CARE B; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	7.00	CARE A4; ISSUER NOT COOPERATING*

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

#### Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument / Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Bank Overdraft	LT	8.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (13-Feb-23)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (09-Dec-21)
2	Non-fund-based - ST-Bank Guarantee	ST	7.00	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (13-Feb-23)	1)CARE A4; ISSUER NOT COOPERATING* (09-Dec-21)

\*Issuer did not cooperate; Based on best available information; LT: Long term; ST: Short term

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

#### Annexure-4: Complexity level of the various instruments rated

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

#### Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instrument:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

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#### About us:

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#### Disclaimer:

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