

Vellapally Brothers

May 30, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	15.20	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	6.75	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 March 16, 2023, placed the rating(s) of Vellapally Brothers (VB) under the 'issuer non-cooperating' category as VB 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. VB continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 30, 2024, February 09, 2024, February 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 VB 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 [March 16, 2023](#)

Applicable criteria

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

[Policy on default recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

About the firm

Vellapally Brothers (VB) was established as a partnership firm in 1932. The present partners of the firm are Mr. Mathew Alex Vellapally, Ms. Bindhu Mathew Vellapally and Mr. Alex Mathew Vellapally. The firm is registered as a Class-A contractor with Public Work Department (PWD) of Kerala and is primarily engaged in executing various civil construction activities such as construction of colleges, schools, hospital, theatres and commercial buildings. VB receives orders both through tenders floated by state departments as well as from private customers.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Brief Financials (Rs. crore)	March 31, 2021 (A)	March 31, 2022 (UA)
Total operating income	17.65	17.96
PBILDT	3.45	3.55
PAT	0.10	0.28
Overall gearing (times)	1.59	1.14
Interest coverage (times)	1.29	1.36

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: CRISIL has continued the rating assigned to the bank facilities of VB into ISSUER NOT COOPERATING category vide press release dated June 28, 2023 on account of its inability to carry out a review in the absence of 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		-	-	-	9.50	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	30-06-2024	5.70	CARE B-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	6.75	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	9.50	CARE B-; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (16-Mar-23) 2)CARE B+; Stable (11-May-22)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (29-Dec-21)
2	Non-fund-based - ST-Bank Guarantee	ST	6.75	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (16-Mar-23) 2)CARE A4 (11-May-22)	1)CARE A4; ISSUER NOT COOPERATING* (29-Dec-21)
3	Non-fund-based - ST-Letter of credit	ST	-	-	-	-	1)Withdrawn (11-May-22)	1)CARE A4; ISSUER NOT COOPERATING* (29-Dec-21)
4	Fund-based - LT-Term Loan	LT	5.70	CARE B-; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (16-Mar-23) 2)CARE B+; Stable (11-May-22)	-

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

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of 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	Fund-based - LT-Term Loan	Simple
3	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 the complexity levels of the rated instruments: 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 for any clarifications.

Contact us

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About us:

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Disclaimer:

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