

Sekar Constructions

December 05, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	6.78	CARE C; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	5.50	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 October 23, 2023, placed the rating(s) of Sekar Constructions (SC) under the 'issuer non-cooperating' category as SC had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. SC continues to be non-cooperative despite repeated requests for submission of information through e-mails dated September 07, 2024, September 17, 2024, September 27, 2024 among others.

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).

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [October 23, 2023](#)

Applicable criteria

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

[Policy on Default Recognition](#)

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

About the Firm

Sekar Constructions (SC) is a partnership firm established in the year 1994 by Mr. E. Sekar along with his wife, Mrs. S. Sasikala. The profit-sharing ratio is 60% and 40% respectively. The firm is the "AA" class category of civil contractor engaged in building constructions including civil, electrical and mechanical works for Tamil Nadu State Government, Government of India, State Government/Central Government Undertakings, Educational Institutions, and other private contracts. Further, SC also manufactures concrete blocks required for building construction which are captively consumed. The firm employs around 400 staff including 150 labourers and balance being skilled and semi-skilled employees which includes engineers. The projects and the contracts for Government projects are awarded through tendering & bidding while for the private parties, the firm enters into contracts. The registered office of the firm is located in Kanchipuram, Tamil Nadu.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Annexure-2

Covenants of rated instruments/facilities: Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

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

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 and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	4.50	CARE C; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	February 2022	2.28	CARE C; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	5.00	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Standby Line of Credit		-	-	-	0.50	CARE A4; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Date(s) and Rating(s) assigned in 2024-2025	Rating History		
		Type	Amount Outstanding (₹ crore)	Rating		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-Term Loan	LT	2.28	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (23-Oct-23)	1)CARE C; Stable; ISSUER NOT COOPERATING* (30-Sep-22)	1)CARE C; Stable; ISSUER NOT COOPERATING* (17-Aug-21)
2	Fund-based - LT-Cash Credit	LT	4.50	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (23-Oct-23)	1)CARE C; Stable; ISSUER NOT COOPERATING* (30-Sep-22)	1)CARE C; Stable; ISSUER NOT COOPERATING* (17-Aug-21)
3	Non-fund-based - ST-Bank Guarantee	ST	5.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (23-Oct-23)	1)CARE A4; ISSUER NOT COOPERATING* (30-Sep-22)	1)CARE A4; ISSUER NOT COOPERATING* (17-Aug-21)
4	Non-fund-based - ST-Standby Line of Credit	ST	0.50	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (23-Oct-23)	1)CARE A4; ISSUER NOT COOPERATING* (30-Sep-22)	1)CARE A4; ISSUER NOT COOPERATING* (17-Aug-21)

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

LT: Long term; ST: Short term

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

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple
4	Non-fund-based - ST-Standby Line of Credit	Simple

Annexure-5: Lender details

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

Note on complexity levels of rated instruments: CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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About us:

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