

Sri Lakshmi Venkateswara Developers

January 09, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	65.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BB; Stable and moved to 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. has been seeking information from Sri Lakshmi Venkateswara Developers (SLVD) to monitor the rating(s) vide e-mail communications dated November 05,2025, to December 15,2025 among others and numerous phone calls. However, despite our repeated requests, the firm has not provided the requisite information for monitoring the ratings. 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. The rating on Sri Lakshmi Venkateswara Developers (SLVD)'s bank facilities will now be denoted as **CARE BB-; ISSUER NOT COOPERATING***.

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 have been revised on account of significant dependence on debt and customer advances for completion of the project, nascent stage of ongoing project, geographic concentration of projects, risk of withdrawal of capital due to partnership nature of constitution and highly competitive and regulated industry. However, the rating derives strength from experienced promoters with established track record of the group, faster execution of ongoing project along with satisfactory sales momentum, prepayment of term loan availed for past project, prominent location of ongoing project and stable industry outlook.

Analytical approach: Standalone

Outlook: Stable

Stable. CARE Ratings believes that the entity will continue to benefit from receipt of satisfactory project response aided by favourable location and experience of the promoters.

Detailed description of key rating drivers:

At the time of last rating on [December 06,2024](#), the following were the rating strengths and weaknesses (updated for the information available from Annual report)

Key weaknesses

Significant dependence on debt and customer advances for competition of the project: About 76% of the total construction cost of ongoing project, SLV Amaravati Pride (Phase II) projected to be funded through debt and customer advances. The total project cost is Rs. 154 crore which is proposed to be funded through debt of Rs. 65 crores (42%), promoter funds of Rs. 37 crores (24%) and remaining through customer advances. As on September 30, 2024, firm incurred about 17% of total cost, majorly funded by promoter funds of Rs. 12.50 crores and customer advances. Further, Bank limits were sanctioned by end of September 2024, with about Rs. 14.50 crores disbursed as on November 30, 2024. This was facilitated by faster execution of the construction cost along with receipt of customer advances driven by increased sales momentum. However, any volatility in sales or realisations may result in cash flow mismatches.

Geographic concentration risk: SLV Group is a Vijayawada based company and have developed all their projects in and around Vijayawada. Major ongoing projects of SLV group are located in Bhimavaram, Gannavaram, Kesarapalli and Ramavarappadu area near Vijayawada. The location has emerged as a prominent real estate destination witnessing real estate activity in various segments such as group housing (mid to high-end), plotted developments, educational institutions, hospitals, retail, etc.

Partnership nature of constitution with risk of withdrawal of capital: The firm being a partnership firm is exposed to inherent risk of capital withdrawal by partners due its nature of constitution. Any substantial withdrawals from capital account would impact the net worth and thereby the gearing levels.

As of October 2024, promoters have infused funds of Rs. 18 crores in the way of equity and unsecured loans for execution of the project demonstrating promoters' ability to support the firm as and when required.

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

Risk associated with real estate industry being subject to regulations and competition from other players: Real estate sector demand is linked to the overall economic prospect of the country. Change in the economic outlook affects the expected cash inflows to a household, thereby also influencing their buying decision. Besides, as leverage forms an important part of funding for the buyer, availability of loan and interest rates also affects the demand of real estate properties. On the other hand, land, labour, cement and metal prices being some of major cost centres for the sector, availability of these factors plays important role in pricing and supply of new units. Hence, cyclicity associated with economic outlook, interest rates, metal prices, etc., also renders the real estate sector towards cyclicity. Moreover, the companies in the sector are also exposed to regulatory changes, especially in the countries such as India with evolving regulations. Also, there exists competition from up-coming and completed projects of other well-known developers in the region.

Key strengths

Experienced promoters with established track record: The Firm is promoted by Designated Partner Sri Penmetsa Srinivasa Raju, along with his cousin Sri Sagi Ranga Raju who is a partner. Sri Penmetsa Srinivasa Raju and Sri Sagi Ranga Raju are having rich experience in real estate and construction activity and have completed several projects earlier. P Srinivasa Raju and S Ranga Raju are key promoters of SLV Group of companies. Sri P Srinivasa Raju felicitated with Times Now Award in 2023 for Businessman of the year Andhra Pradesh and Most admirable project of the year for SLV Green Meadows. Currently, the overall operations of the company are being managed by Sri Penmetsa Srinivasa Raju and is supported by other directors. The current management belongs to Vijayawada, and possess vast experience in the construction and real estate development industry. The promoters are well-qualified and possess over 23 decades of experience in the construction and real estate industry. Further, they are assisted by a qualified and professionally experienced management team.

Prominent location of ongoing project: The SLV group has completed 17 projects and all are Vijayawada based projects. The on-going project SLV Amravathi Pride (Phase II) is in being constructed in the prominent location near Vijayawada with proximity to Chennai-Kolkatta Highway, 17kms from Amaravathi and connectivity via Inner ring road

Moderate construction progress with satisfactory sales velocity: SLVD currently has 1 ongoing project i.e., SLV Amaravathi Pride in Magalagiri for construction of residential apartments under JDA with landowners. SLVD has completed Phase I by March 2024 with its own funds, and Phase II was launched with developers share of 3.39 lsf built up area in March 2024. As of September 30, 2024, Firm incurred about 17% of the total project cost and with sanction debt in place, SLVD started executing construction cost in fast manner i.e., about 3 to 5% of the construction cost is being incurred every month to complete the project before the RERA completion date. Execution of work being supported by way of debt and customer advances. Firm has comfortable sales velocity i.e., about 5.12 units per month till September 2024 and same has been increased 7 units per month in the recent months due to faster execution and favourable location of the project.

The firm has a proven track record of repaying loan obtained for previous project through customer advances, ensuring timely completion of the project.

Stable industry outlook: The real estate sector is a major global industry, divided into housing, retail, hospitality, and commercial sub-sectors. Its growth is driven by corporate expansion and demand for office and residential spaces. In India, it is the second-largest employment generator after agriculture and is expected to attract significant NRI investments. Key investment destinations for NRIs include Bengaluru, Ahmedabad, Pune, Chennai, Goa, Delhi, and Dehradun. By 2040, India's real estate market is projected to grow from Rs. 12,000 crore (US\$ 1.72 billion) in 2019 to Rs. 65,000 crore (US\$ 9.30 billion). By 2030, the market size is expected to reach US\$ 1 trillion, contributing 13% to the GDP by 2025. Andhra Pradesh, the 8th largest state in India, has robust infrastructure and connectivity. The state government allocated Rs. 8,495 crore (US\$ 1.11 billion) for urban development in 2022-23, including Rs. 1,000 crore (US\$ 131.13 million) for the Smart Cities Mission and Rs. 800 crore (US\$ 104.9 million) for infrastructure in the new capital city.

Liquidity: Not applicable

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[Definition of Default](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Rating methodology for Real estate sector](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Realty	Realty	Residential, Commercial Projects

M/s Sri Lakshmi Venkateswara Developers (SLVD) a partnership firm was incorporated on 21/02/2019 and promoted by Sri Penmetsa Srinivasa Raju, Managing Partner along with his cousin Sri Sagi Ranga Raju who is Partner. The main objective of the firm is to carry out the business of Real Estate Development. The group received Real Estate and Business Excellence Awards by CNN NEWS for its project SLV Amaravathi Grand under the category of Fastest Constructed Project in the present scenario of Andhra Pradesh. Currently, the firm is developing SLV Amaravati Pride under JDA with promoters' saleable area of 3.39 lsf (Developer share). The promoters have more than two decades of experience in real estate business and developed many projects in and around Vijayawada.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	20.67	30.65
PBILDT*	2.25	1.96
Profit after tax (PAT)	1.22	0.98
Overall gearing (x)	3.65	24.24
Interest coverage (x)	3.01	3.36

A: Audited UA: Unaudited; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of 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 and Rating Outlook
Fund-based - LT-Term Loan		-	-	March 20, 2027	65.00	CARE BB-; Stable; 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			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	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
1	Fund-based - LT-Term Loan	LT	65.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable (06-Dec-24)	-	-

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

LT: Long term; ST: Short term; LT/ST: Long term/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-Term Loan	Simple

Annexure-5: Lender details

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

Note on complexity levels of rated instruments: CareEdge 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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