

## IRP Infra Tech Private Limited

### February 23, 2021

#### Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings	Rating Action
Long Term Bank Facilities	-	-	Reaffirmed at CARE BB-; Stable (Double B Minus; Outlook: Stable) and Withdrawn
Short Term Bank Facilities	-	-	Reaffirmed at CARE A4 (A Four) and Withdrawn
<b>Total Bank Facilities</b>	-		

#### Detailed Rationale and Key Rating Drivers

CARE has reaffirmed and withdrawn the outstanding ratings of CARE BB-; Stable (Double B Minus; Outlook: Stable) / CARE A4(A Four) assigned to the bank facilities of IRP Infra Tech Private Limited with immediate effect. The above action has been taken at the request of IRP Infra Tech Private Limited and 'No Objection Certificate' received from the banks that have extended the facilities rated by CARE. The company has not availed moratorium from March 2020 to August 2020

**Analytical approach:** Standalone

#### Applicable Criteria

[Policy on Withdrawal of ratings](#)

[Criteria on assigning Outlook to Credit Ratings](#)

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

[Financial ratios- Non-Financial Sector](#)

[Rating Methodology-Construction Sector](#)

[Criteria for Short Term Instruments](#)

[Liquidity Analysis of Non-Financial Sector Entities](#)

#### About the company

Andhra Pradesh based, IRP Infra Tech Private Limited (IITPL), was incorporated in February, 2019. as Private Limited Company by Mr. Raghu Kranthi Vemuri along with Ms. Saroja Tammabattula, Mr. Raghu Sheetal Kanchi. IRP Infra Tech is a special class contractor engaged in Railway contract works. Previously, it was a proprietorship firm and was incorporated as a Private Limited Company on February 2019. The day to day operations of the company are managed by Mr. Raghu Kranthi, who is an engineer by qualification along with other directors

The scale of operations of the company marked by total operating income and GCA of Rs.51.10 crore and Rs.4.62 crore in FY20. The total operating income declined from RS.56.51 crore in FY19 to Rs.51.10 crore in FY20. The PBILD T margin of the company increased from 7.78% in FY19 to 13.78% in FY20. The PAT margin also increased from 4.46% in FY19 to 8.55% in FY20 due to increase in PBILD T in absolute terms. The capital structure of the company marked by debt equity ratio and overall gearing ratio improved and stood satisfactory at 0.11x and 0.22x as on 31<sup>st</sup> March 2020. The debt coverage indicators marked by Total debt/GCA and interest coverage ratio stood at 0.42x and 9.24x in FY20.

Brief Financials (Rs. crore)	31-03-2019	31-03-2020
	A	A
Total operating income	20.10	51.10
PBILD T	2.23	7.04
PAT	1.49	4.37
Overall gearing (times)	1.10	0.22
Interest coverage (times)	6.77	9.24

A: Audited

**Status of non-cooperation with previous CRA:** Nil

**Any other information:** Not Applicable

**Rating History:** 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-Cash Credit	-	-	-	0.00	Withdrawn
Non-fund-based - ST-Bank Guarantees	-	-	-	0.00	Withdrawn

**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 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE BB-; Stable (24-Dec-19)	-	-
2.	Non-fund-based - ST-Bank Guarantees	ST	-	-	-	1)CARE A4 (24-Dec-19)	-	-

**Annexure-3: Detailed explanation of covenants of the rated instrument -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-Cash Credit	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:

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