

Press Release

M. Surya Narayana Reddy (MSR)

19 July, 2017



Rating Update

Total Bank Facilities Rated*	Rs.5.00 Cr
Long Term Rating (Indicative)	SMERA BB- Issuer not co-operating*
Short Term Rating (Indicative)	SMERA A4+ Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; Based on best available information.

SMERA has reviewed the long term rating of '**SMERA BB-**' (read as **SMERA double B minus**) and short term rating of '**SMERA A4+**' (read as **SMERA A four plus**) on the Rs.5.00 crore bank facilities of M. Surya Narayana Reddy. This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower: SMERA has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Manufacturing Entities: <https://www.smera.in/criteria-manufacturing.htm>
- Default Recognition: <https://www.smera.in/criteria-default.htm>
- Financial Ratios and Adjustments: <https://www.smera.in/criteria-fin-ratios.htm>

Limitation regarding information availability: The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity: Established by Mr. M. Suryanarayana Reddy in 2006 as a proprietorship, the firm is engaged in rendering civil engineering services to Southern Railways and other government bodies as a Class A1 contractor.

For FY2014–15, MSR reported net losses of Rs.0.92 crore on operating income of Rs.19.43 crore, as compared with profit after tax (PAT) of Rs.0.90 crore on operating income of Rs.18.83 crore

in the previous year. The company's net worth stood at Rs.4.70 crore as on March 31, 2015, as compared with Rs.4.41 crore a year earlier.

Rating History for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
04-Apr-16	Cash Credit	Long Term	2.50	SMERA BB- / Stable
	Bank Guarantee	Short Term	2.50	SMERA A4+
16-Feb 2015	Cash Credit	Long Term	2.50	SMERA B+ / Stable
	Bank Guarantee	Short Term	2.50	SMERA A4+

Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash Credit	NA	NA	NA	2.50	SMERA BB- Issuer not co-operating*
Bank Guarantee	NA	NA	NA	2.50	SMERA A4+ Issuer not co-operating*

*The issuer did not co-operate; Based on best available information.

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ABOUT SMERA

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