

Press Release

Kences Constructions Private Limited

October 25, 2021

Rating Update



Total Bank Facilities Rated*	Rs.37.00 Cr.#
Long Term Rating	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*

#Refer Annexure for details

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

Acuite has downgraded the long term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) on the Rs.37.00 Cr bank facilities of Kences Constructions Private Limited (KCPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

KCPL, part of the Kences Group, was incorporated in 2001 by Mr. K. Narasa Reddy and family. The company is engaged in real estate development and runs 'Fortune Kences', a hotel in Tirupati.

Non-cooperation by the issuer/borrower:

Acuite 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 the due date.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entities- <https://www.acuite.in/view-rating-criteria-61.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). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Liquidity Indicators

"No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
27-Jul-20	Secured Overdraft	Long Term	30.00	ACUITE BB- Issuer not co-operating*
	Secured Overdraft	Long Term	7.00	ACUITE BB- Issuer not co-operating*
03- May- 19	Secured Overdraft	Long Term	30.00	ACUITE BB Issuer not co-operating*
	Secured Overdraft	Long Term	7.00	ACUITE BB Issuer not co-operating*
26-Feb-18	Secured Overdraft	Long Term	30.00	ACUITE BB/Stable (Downgraded)
	Secured Overdraft	Long Term	7.00	ACUITE BB/Stable (Downgraded)

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

#Annexure – Details of instruments rated

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Andhra Bank	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	30.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
HDFC Bank	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President – Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Nilesh Soni Analyst – Rating Operations Tel: 022-49294053 nilesh.soni@acuite.in	Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in

About Acuité Ratings & Research:

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 8,850 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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