



Press Release

Nanitha Constructions

October 12, 2018
Rating Update

Total Bank Facilities Rated*	Rs.20.00 Cr. #
Long Term Rating	ACUITE BB+ Issuer not co-operating*
Short Term Rating	ACUITE A4+ Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has reviewed the long term rating to '**ACUITE BB+**' (read as **ACUITE double B**) and short term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) to the Rs.20.00 crore bank facilities of Nanitha Constructions (NC). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower: Acuité 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 Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/criteria-fin-ratios.htm>
- Entities In Infrastructure Sector - <https://www.acuite.in/view-rating-criteria-14.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). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

NC is a partnership firm established in 2007 by Mr. L. Narsinga Rao and family. The firm undertakes civil construction projects (construction of roads, bridges, buildings, drainage among others) in Telangana and Andhra Pradesh for government organizations.

Any other information: "Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups".

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
13 th Oct 2017	Secured Overdraft	Long Term	5.00	ACUITE BB+/ Stable (Reaffirmed)
	Bank Guarantee	Short Term	15.00	ACUITE A4+ (Reaffirmed)
3 rd Oct 2017	Secured Overdraft	Long Term	5.00	ACUITE BB+/ Stable (Upgraded)
	Bank Guarantee	Short Term	7.50	ACUITE A4+ (Reaffirmed)
12 th Aug 2016	Secured Overdraft	Long Term	2.00	ACUITE BB/ Stable (Assigned)
	Bank Guarantee	Short Term	6.00	ACUITE A4+ (Assigned)
	Proposed Secured Overdraft	Long Term	0.50	ACUITE BB/ Stable (Assigned)
	Proposed Bank Guarantee	Short Term	4.00	ACUITE A4+ (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB+ (Indicative)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A4+ (Indicative)

Contacts

Analytical	Rating Desk
Sri Hari Adari Head - Rating Operations Tel: 040-4027 4590 srihari.adari@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in
Sethu Madhav Analyst - Rating Operations Tel: 022-67141128 sethu.madhav@acuiteinratings.in	

About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*erstwhile SMERA Ratings 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 6,000 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 Mumbai.

Disclaimer: *An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.*

