

Press Release

K Koteswara Reddy

April 03, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 11.25 Cr. #
Long Term Rating	SMERA BB- Issuer not co-operating*
Short Term Rating	SMERA A4 Issuer not co-operating*

Refer Annexure for details

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

SMERA has reviewed long-term rating of '**SMERA BB-** (read as SMERA BB minus) and short term rating of '**SMERA A4**' (read as SMERA A four) on the Rs. 11.25 crore bank facilities of K Koteswara Reddy(KKR). 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

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Infrastructure Entities - <https://www.smera.in/criteria-infra.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 endeavored together 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

K Koteswara Reddy (KKR), a proprietorship firm established in 1988 is engaged in civil construction. The firm executes projects for road construction in Telangana, Andhra Pradesh and Madhya Pradesh.

In FY2015-16, KKR reported net profit of Rs. 1.49 cr on operating income of Rs. 34.56 cr as against profit after tax (PAT) of Rs. 0.91 cr on operating income of Rs. 16.19 cr in the previous year. The net worth stood at Rs. 7.08 cr as on March 31, 2016 against Rs. 5.36 cr a year earlier.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
7th March, 2017	Overdraft	Long Term	3.50	SMERA BB- / Stable (Assigned)
	Bank guarantee/Letter of Guarantee	Short Term	7.75	SMERA A4 (Assigned)

#Annexure - Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Overdraft	Not Applicable	Not Applicable	Not Applicable	3.50	SMERA BB- Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	7.75	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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