

Press Release

P Narasimha Rao & Co

January 24, 2020

Rating Update



Total Bank Facilities Rated#	Rs. 8.00 Cr.
Long Term Rating	ACUITE D (Downgraded from ACUITE BB-) Issuer not co-operating*
Short Term Rating	ACUITE D (Downgraded from ACUITE A4+) Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and short term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 8.00 crore bank facilities of P Narasimha Rao & Company. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information available on public domain.

PNRC, a partnership firm was established in 2004 by Mr. P Narasimha Rao, his son Mr. P Jaganmohan Rao and their family members. The firm undertakes tender based contracts to construct roads and bridges in Andhra Pradesh and Telangana. In addition, the firm is a nominated contractor of JSW Steel Limited for its Bellary unit in Karnataka since 1994 for any civil construction within the unit.

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 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.

Applicable Criteria

- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-51.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.

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 (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
28-August-2019	Cash Credit	Long Term	2.50	ACUITE BB- (Issuer not co-operating)*
	Bank Guarantee	Short Term	5.50	ACUITE 4+ (Issuer not co-operating)*
20-June-2018	Cash Credit	Long Term	2.50	ACUITE BB- (Reaffirmed)
	Bank Guarantee	Short Term	5.50	ACUITE 4+ (Reaffirmed)
15-May-2017	Cash Credit	Long Term	2.50	ACUITE BB- (Assigned)
	Bank Guarantee	Short Term	5.50	ACUITE 4+ (Assigned)

Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.50	ACUITE D (Downgraded from ACUITE BB-) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	5.50	ACUITE D (Downgraded from ACUITE A4+) Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
<p>Aditya Gupta Head- Corporate and Infrastructure Sector Tel: 022-49294041 aditya.gupta@acuite.in</p> <p>Sruthi Talanki Analyst - Rating Operations Tel: 040-40042327 sruthi.talanki@acuite.in</p>	<p>Varsha Bist Manager - Rating Desk Tel: 022-49294022 rating.desk@acuite.in</p>

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.