

Press Release

P Dasaratharama Reddy

June 24, 2021

Rating Update



Total Bank Facilities Rated*	Rs.27.00 Cr. #
Long Term Rating	ACUITE BB (Downgraded from ACUITE BB+/Stable) 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 downgraded the long term rating to '**ACUITE BB**' (read as **ACUITE double B**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) and reviewed the short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.27.00 Cr. bank facilities of P Dasaratharama Reddy (PDR). The rating is now flagged as an 'Issuer Not-Cooperating' based on best available information.

About the company

Bengaluru-based, P. Dasarathama Reddy (PDR) is a partnership firm established in 1998 by Mr. Krishna Reddy, Mrs. Bhavani and Mr. Dinesh Reddy. PDR is engaged in execution of civil construction projects such as canals, roads and bridges mostly for government departments mainly to Cauvery Neeravari Nigam Limited in Karnataka and is operating as a class I civil contractor.

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 the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an 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>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/view-rating-criteria-55.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 has 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.

Liquidity Position

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

Rating Sensitivities

No information provided by the issuer / available for Acuité 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)

Not Applicable

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
01-Oct-2019	Secured Overdraft	Long Term	7.00	ACUITE BB+ / Stable (Upgraded)
	Bank Guarantee	Short Term	20.00	ACUITE A4+ (Reaffirmed)
08-Aug-2018	Secured Overdraft	Long Term	4.00	ACUITE BB (Indicative)
	Term Loan	Long Term	0.57	ACUITE BB (Indicative)
	Term Loan	Long Term	0.21	ACUITE BB (Indicative)
	Proposed Bank Facility	Long Term	0.22	ACUITE BB (Indicative)
	Bank Guarantee	Short Term	15.00	ACUITE A4+ (Indicative)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Secured Overdraft	Not Applicable	Not Available	Not Applicable	7.00	ACUITE BB (Downgraded from ACUITE BB+ /Stable) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE A4+ Issuer not co-operating*

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

Contacts

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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 8,741 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.

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