

Press Release

D K Bharat Simha Reddy

September 17, 2018

Rating Update



Total Bank Facilities Rated#	Rs. 29.50 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

Acuite has reviewed the long-term rating of '**ACUITE BB**' (read as **ACUITE double B**) and short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) to the Rs.29.50 crore bank facilities of D K Bharat Simha Reddy (DKBSR). This rating is now an indicative rating and is based on best available information.

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.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-14.htm>
- Default Recognition - <https://www.acuite.in/criteria-default.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:

D K Bharat Simha Reddy (DKBSR) was established in 2001 by Mr. D K Bharat Simha Reddy. The firm undertakes road construction projects for the Telangana government. The registered office is located at Mehboobnagar, Telangana.

For FY2016-17 (Provisional), DKBSR reported profit after tax (PAT) of Rs 1.32 crore on total operating income of Rs.24.12 crore compared with PAT of Rs.1.37 crore on total operating income of Rs.22.77 crore in FY2014-15. The tangible net worth stood healthy at Rs.22.98 crore in FY2017 (Provisional)

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
12-Aug-2017	Overdraft	Long Term	1.50	ACUITE BB/ Stable (Assigned)
	Proposed Secured Overdraft	Long Term	0.70	ACUITE BB/ Stable (Assigned)
	Bank guarantee/ Letter of Guarantee	Short Term	6.50	ACUITE A4+ (Assigned)
	Proposed Bank Guarantee	Short Term	20.80	ACUITE 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/Outlook
Overdraft	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE BB Issuer not co-operating*
Proposed Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	0.70	ACUITE BB Issuer not co-operating*
Bank guarantee/ Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	6.50	ACUITE A4+ Issuer not co-operating*
Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	20.80	ACUITE A4+ Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Pooja Ghosh Head - Corporate and Infrastructure Sector Ratings Tel: 033-66201203 pooja.ghosh@acuute.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuute.in
Debalina Maity Analyst - Rating Operations Tel: 033-66201212 debalina.maity@acuiteratings.in	

About Acuite Ratings & Research:

Acuite 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.

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