

Press Release

D K Bharat Simha Reddy

August 17, 2021

Rating Update



Total Bank Facilities Rated*	Rs. 29.50 Cr. #
Long Term Rating	ACUITE B+ 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.

Acuite has reviewed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.29.50 Cr bank facilities of D K Bharat Simha Reddy (DKSR). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

DKSR was established in 2001 by Mr. D K Bharat Simha Reddy. The firm is engaged in providing road construction service to Telangana Government. DKSR majorly caters to various departments of Telangana Government and during FY19, the firm has started sub-contracting work for National Highways.

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 the 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.

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

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>

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.

Liquidity Indicators

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

Rating Sensitivity

"No information provided by the issuer / available for Acuite 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)

None

Any other information

None

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
26-May-2020	Secured Overdraft	Long term	2.00	ACUITE B+ (Downgraded from ACUITE BB-/Stable) Issuer not co-operating*
	Proposed Secured Overdraft	Long term	0.20	ACUITE B+ (Downgraded from ACUITE BB-/Stable) Issuer not co-operating*
	Bank Guarantee	Short Term	10.00	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*
	Proposed Bank Guarantee	Short Term	17.30	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*
19-Mar-2019	Secured Overdraft	Long term	2.00	ACUITE BB-/Stable (Downgraded from ACUITE BB)
	Proposed Secured Overdraft	Long term	0.20	ACUITE BB-/Stable (Downgraded from ACUITE BB)
	Bank Guarantee	Short Term	10.00	ACUITE A4+ (Reaffirmed)
	Proposed Bank Guarantee	Short Term	17.30	ACUITE A4+ (Reaffirmed)
17-Sep-2018	Secured Overdraft	Long term	1.50	ACUITE BB (Indicative)
	Proposed Secured Overdraft	Long term	0.70	ACUITE BB (Indicative)
	Bank Guarantee	Short Term	6.50	ACUITE A4+ (Indicative)
	Proposed Bank Guarantee	Short Term	20.80	ACUITE A4+ (Indicative)

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

#Annexure – Details of instruments rated

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Andhra Bank	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE B+ Issuer not co-operating*

Not Applicable	Proposed Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	0.20	ACUITE B+ Issuer not co-operating*
Andhra Bank	Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4 Issuer not co-operating*
Not Applicable	Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	17.30	ACUITE A4 Issuer not co-operating*

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

Contacts

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About Acuite Ratings & Research:

Acuite 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 8,806 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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