

## Press Release

Jampana Construction Private Limited

May 05, 2023



### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	19.73	ACUITE BB+   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	115.27	-	ACUITE A4+   Downgraded   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	135.00	-	-

### Rating Rationale

Acuite has downgraded its long-term rating to '**ACUITE BB+**' (read as **ACUITE double B Plus**) from '**ACUITE BBB-**' (read as **ACUITE Triple B Minus**) and short-term rating to '**ACUITE A4+**' (read as **ACUITE A Four Plus**) from '**ACUITE A3**' (read as **ACUITE A Three**) to the Rs. 135.00 Cr bank facilities of Jampana Construction Private Limited (JCPL). This rating is now an indicative rating and is based on best available information. and is downgraded on account of information risk .

### About the Company

Incorporated in 2003, Jampana Construction Private Limited (JCPL) is a Bengaluru based civil contractor engaged in the construction of commercial and residential buildings, bridges, hospitals, layout development etc. JCPL undertakes direct as well as subcontracted orders. The clientele of the Company includes National Building Construction Corporation (NBCC), Karnataka Housing Board (KHB), Karnataka Road Development Corporation Limited (KRDCL), Karnataka Health System Development Research Projects (KHSDRP), Nagarjuna Construction Company Limited (NCCL), and Bangalore Development Authority (BDA), Military Engineer Services (MES) and other state and central government agencies. Directors of Jampana Construction Private Limited are Sridevi Jampana, Srinivasa Raju Jampana, Suvarchala Jampana Bhanu.

### Non-cooperation by the issuer/borrower

Acuite has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 03 consecutive months. Acuite believes that information risk is a critical component in such ratings, and noncooperation 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.

### 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.

### Rating Sensitivities

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

### Material Covenants

None.

### Liquidity Position

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

### Outlook

Not Applicable.

### Other factors affecting rating

Not applicable

### Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	136.68	94.51
PAT	Rs. Cr.	8.60	5.34
PAT Margin	(%)	6.29	5.65
Total Debt/Tangible Net Worth	Times	0.11	0.07
PBDIT/Interest	Times	9.50	4.71

### Status of non-cooperation with previous CRA

Not Applicable.

### Any other information

Acuité is not in receipt of the "No Default Statement (NDS)" since January 2023.

### Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Investment Trust (InvIT): <https://www.acuite.in/view-rating-criteria-72.htm>

### Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in)

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
10 Oct 2022	Letter of Credit	Short Term	10.00	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	2.00	ACUITE BBB-   Stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB-   Stable (Reaffirmed)
	Proposed Bank Facility	Short Term	41.27	ACUITE A3 (Reaffirmed)
	Bank Guarantee	Short Term	40.00	ACUITE A3 (Reaffirmed)
	Proposed Bank Facility	Long Term	7.73	ACUITE BBB-   Stable (Reaffirmed)
	Bank Guarantee	Short Term	24.00	ACUITE A3 (Reaffirmed)
02 Aug 2021	Letter of Credit	Short Term	5.00	ACUITE A3 (Reaffirmed)
	Term Loan	Long Term	0.34	ACUITE BBB-   Stable (Reaffirmed)
	Term Loan	Long Term	1.43	ACUITE BBB-   Stable (Reaffirmed)
	Bank Guarantee	Short Term	24.00	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB-   Stable (Reaffirmed)
	Proposed Bank Facility	Short Term	41.27	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	2.00	ACUITE BBB-   Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	5.96	ACUITE BBB-   Stable (Reaffirmed)
	Bank Guarantee	Short Term	45.00	ACUITE A3 (Reaffirmed)
04 May 2020	Bank Guarantee	Short Term	12.50	ACUITE A3 (Withdrawn)
	Cash Credit	Long Term	2.00	ACUITE BBB-   Stable (Reaffirmed)
	Bank Guarantee	Short Term	24.00	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	12.00	ACUITE BBB-   Stable (Reaffirmed)
	Bank Guarantee	Short Term	58.00	ACUITE A3 (Reaffirmed)
	Term Loan	Long Term	3.22	ACUITE BBB-   Stable (Reaffirmed)
	Letter of Credit	Short Term	12.00	ACUITE A3 (Reaffirmed)
	Proposed Bank Facility	Short Term	21.27	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	1.00	ACUITE BBB- (Withdrawn)
	Term Loan	Long Term	2.51	ACUITE BBB-   Stable (Reaffirmed)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Union Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	24.00	ACUITE A4+   Downgraded   Issuer not co-operating*
State Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	40.00	ACUITE A4+   Downgraded   Issuer not co-operating*
Union Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	2.00	ACUITE BB+   Downgraded   Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	10.00	ACUITE BB+   Downgraded   Issuer not co-operating*
State Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	10.00	ACUITE A4+   Downgraded   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	7.73	ACUITE BB+   Downgraded   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Short Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	41.27	ACUITE A4+   Downgraded   Issuer not co-operating*

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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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