

Press Release

Shri Aruna Construction Private Limited

March 22, 2019



Rating Update

Total Bank Facilities Rated*	Rs. 48.00 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.

Acuité has reviewed long-term rating of '**ACUITE BB**' (**read as ACUITE BB**) and short term rating of '**ACUITE A4+**' (**read as 'ACUITE A four plus'**) on the Rs. 48.00 crore bank facilities of Shri Aruna Construction Private Limited. This rating is now an indicative rating and is based on best available information.

Shri Aruna Construction Private Limited established in 2002, promoted by Mr. J. Rama Raju and Mr. J. Venugopal Krishnam Raju is engaged in the field of Civil and Construction work having presence in Karnataka. The company is engaged in the construction of commercial and residential buildings, bridges, hospitals, layout development etc.

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 due date.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-14.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 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.

About the Rated Entity - Key Financials

	Unit	FY17 (Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	57.91	73.06	100.84
EBITDA	Rs. Cr.	6.22	6.02	7.85
PAT	Rs. Cr.	2.10	2.66	4.44
EBITDA Margin	(%)	10.73	8.24	7.78
PAT Margin	(%)	3.63	3.65	4.40
ROCE (%)	(%)	15.29	20.46	62.33
Total Debt/Tangible Net Worth	Times	0.48	0.37	0.14
PBDIT/Interest	Times	2.44	4.35	8.12
Total Debt/PBDIT	Times	2.11	1.56	0.38
Gross Current Assets (Days)	Days	437	364	244

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

Not Applicable

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
10-Jan-2018	Cash Credit	Long Term	INR 3	ACUITE BB / Stable
	Cash Credit	Long Term	INR 3	ACUITE BB / Stable
	Term Loan	Long Term	INR 10	ACUITE BB
	Bank Guarantee	Short Term	INR 19	ACUITE A4+
	Bank Guarantee	Short Term	INR 11	ACUITE A4+
	Letter of Credit	Short Term	INR 2	ACUITE A4+

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE BB Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE BB Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE BB Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	11.00	ACUITE A4+ Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	19.00	ACUITE A4+ Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Srihari Adari Head - Corporate and Infrastructure Sector Ratings Tel: 040-40042327 srihari.adari@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in
Naveen Papisetty Analyst - Rating Operations Tel: 040-40055480 naveen.papisetty@acuiteratings.in	

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.

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