

## Press Release

K Anantha Rao and Co

April 29, 2022



### Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	12.00	-	ACUITE A4+   Reaffirmed   Issuer not co-operating*
Bank Loan Ratings	2.00	ACUITE BB-   Reaffirmed   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	14.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE BB-**' (read as **ACUITE double B minus**) and short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.14 Cr bank facilities of K Anantha Rao & Co (KARC). The rating is flagged as "Issuer Not-Cooperating".

#### About the Company

Andhra Pradesh – based, KARC was established as a partnership firm in 2014. The firm is managed by Mr. K Prasad Babu, second generation entrepreneur. The firm is engaged in civil construction of buildings and irrigation works and its clientele include PWD - Vishakhapatnam, and Srikakulam District of Andhra Pradesh (GoAP). The firm is a Special Class I civil contractor and has its registered office located at Amadalavalasa, Srikakulam district, Andhra Pradesh.

#### 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 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 ratings 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

None

### Key Financials:

The rated entity has not shared the latest financial statements despite repeated requests.

### Status of non-cooperation with previous CRA

None

### Any other information

None

### 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 Sector: <https://www.acuite.in/view-rating-criteria-51.htm>

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
15 Feb 2021	Cash Credit	Long Term	2.00	ACUITE BB-   Stable (Upgraded from ACUITE B+   Stable)
	Bank Guarantee	Short Term	12.00	ACUITE A4+ (Upgraded from ACUITE A4)
23 Dec 2019	Cash Credit	Long Term	2.00	ACUITE B+   Stable (Downgraded from ACUITE BB-)
	Bank Guarantee	Short Term	12.00	ACUITE A4 (Downgraded from ACUITE A4+)
14 Oct 2019	Bank Guarantee	Short Term	6.00	ACUITE A4+ (Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	6.00	ACUITE A4+ (Issuer not co-operating*)
	Proposed Cash Credit	Long Term	2.00	ACUITE BB- (Issuer not co-operating*)
16 Aug 2018	Proposed Cash Credit	Long Term	2.00	ACUITE BB-   Stable (Assigned)
	Bank Guarantee	Short Term	6.00	ACUITE A4+ (Assigned)
	Proposed Bank Guarantee	Short Term	6.00	ACUITE A4+ (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Indian Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE A4+   Reaffirmed   Issuer not co-operating*
Indian Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BB-   Reaffirmed   Issuer not co-operating*

## Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 <a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a>  Nilesh Soni Analyst-Rating Operations Tel: 022-49294065 <a href="mailto:nilesh.soni@acuite.in">nilesh.soni@acuite.in</a>	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>

### 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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