

Press Release

M S Ramayya Constructions Private Limited

November 08, 2021

Rating Downgraded



Total Bank Facilities Rated*	Rs.19.00 crore#
Long Term Rating	ACUITE D (Downgraded from ACUITE B+) Issuer not co-operating*

Refer Annexure for details

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

Rating Rationale

Acuite has downgraded the long term rating to '**ACUITE D**' (read as **ACUITE 'D'**) from '**ACUITE B+**' (read as **ACUITE B 'plus'**) on the Rs.19.00 crore bank facilities of M S Ramayya Constructions Private Limited (MSRC). The rating is flagged as "Issuer Not-Cooperating" and is based on the best available information.

Rationale for revision of rating

The revision of ratings takes into account the irregularity in servicing of the bank obligations of overdraft account facility availed by the company and classification of its account as Non-performing asset (NPA) by the banking institution.

About the Company

MSRCPL is a Visakhapatnam based company incorporated in 2004 promoted by Mogga Seetaramayya along with other directors. It is established to develop real-estate activities involving construction of residential apartments and commercial complexes in various parts of Vishakhapatnam and its surroundings.

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 an 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>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>
- Entities In Services Sector - <https://www.acuite.in/view-rating-criteria-50.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-51.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/view-rating-criteria-55.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 has endeavoured 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

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
14 June, 2021	Cash Credit	Long Term	10.00	ACUITE B+ (Downgraded from ACUITE BB-; Issuer not co-operating*)
	Secured Overdraft	Short Term	9.00	ACUITE B+ (Downgraded from ACUITE BB-; Issuer not co-operating*)
16 March, 2020	Cash Credit	Long Term	10.00	ACUITE BB- (Downgraded from ACUITE BB/Stable; Issuer not co-operating*)
	Secured Overdraft	Short Term	9.00	ACUITE BB- (Downgraded from ACUITE BB/Stable; Issuer not co-operating*)
31 December, 2018	Cash Credit	Long Term	10.00	ACUITE BB/ Stable (Assigned)
	Secured Overdraft	Short Term	9.00	ACUITE BB/ Stable (Assigned)

*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. Cr.)	Ratings/Outlook
Canara Bank	Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE D (Downgraded; Issuer not co-operating*)
Canara Bank	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	9.00	ACUITE D (Downgraded; Issuer not co-operating*)

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

Contacts

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About Acuité Ratings & Research:

Acuité 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 8,850 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 Kanjurmarg, Mumbai.

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