

## Press Release

### Yalavarthi Kanaka Durga

June 15, 2020



### Rating Update

<b>Total Bank Facilities Rated#</b>	Rs.10.00 Cr.
<b>Long Term Rating</b>	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*

#Refer Annexure for details

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

### Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE BB-**' (**read as ACUITE double B minus**) from '**ACUITE BB**' (**read as ACUITE double B**) on the Rs.10.00 crore bank facilities of Yalavarthi Kanaka Durga (YKD). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Yalavarthi Kanakadurga is Andhra Pradesh based proprietorship firm established in the year 2009 by Ms. Y Kanaka Durga. The firm is engaged in construction of residential apartments. The firm does construction activities mainly in Gudivada, Andhra Pradesh.

**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.

Acuité 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.

### Applicable Criteria

- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.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

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

Acuité 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
28-Mar-19	Term Loans	Long Term	10.00	ACUITE BB / Stable (Assigned)

**# Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Term Loans	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE BB- (Downgraded from ACUITE BB) 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 (*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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