

Press Release

V B Prasada Reddy

April 05, 2022



Rating Downgraded, Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|------------------------------------|---------------------|--|--|
| Bank Loan Ratings | 5.00 | ACUITE BB- Downgraded Issuer not co-operating* | - |
| Bank Loan Ratings | 7.00 | - | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Total Outstanding Quantum (Rs. Cr) | 12.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuite has downgraded its long term rating to '**ACUITE BB-**' (read as **ACUITE Double B minus**) from '**ACUITE BB**' (read as **ACUITE Double B**) and reaffirmed the short term rating of '**ACUITE A4+**' (read as **ACUITE A Four Plus**) on the Rs. 12.00 crore bank facilities of V B Prasada Reddy.

The rating downgraded is on account of information risk required for review of ratings. The rating is now an indicative rating and is based on the best available information.

About the Company

V B Prasada Reddy ('Firm' or 'VBPR') is a proprietorship concern incorporated in 1995, promoted by Mr. V B Prasada Reddy in Karnataka. Mr. V B Prasada Reddy is a qualified civil engineer who holds a B. Tech degree in Civil Engineering. The firm is a registered Class 1 Civil Licensed contractor with Karnataka PWD. Mr. Reddy has 26 years of experience in managing and executing civil contracts works exclusively related to state and central government departments. He is supported by Sai Kiran Reddy who is the project engineer for the firm.

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. This rating is therefore being flagged as "Issuer notcooperating", 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.

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 |
|-------------|--------------------------------|------------|-----------------|-------------------------------|
| 12 Jan 2021 | Bank Guarantee | Short Term | 2.00 | ACUITE A4+ (Assigned) |
| | Secured Overdraft | Long Term | 3.00 | ACUITE BB Stable (Assigned) |
| | Bank Guarantee | Short Term | 5.00 | ACUITE A4+ (Assigned) |
| | Secured Overdraft | Long Term | 2.00 | ACUITE BB Stable (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Rating |
|----------------|----------------|----------------------------|------------------|----------------|----------------|-------------------|--|
| Canara Bank | Not Applicable | Bank Guarantee (BLR) | Not Applicable | Not Applicable | Not Applicable | 5.00 | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Canara Bank | Not Applicable | Overdraft | Not Applicable | Not Applicable | Not Applicable | 3.00 | ACUITE BB- Downgraded Issuer not co-operating* |
| Not Applicable | Not Applicable | Proposed Bank Guarantee | Not Applicable | Not Applicable | Not Applicable | 2.00 | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Not Applicable | Not Applicable | Proposed Secured Overdraft | Not Applicable | Not Applicable | Not Applicable | 2.00 | ACUITE BB- Downgraded Issuer not co-operating* |

Contacts

| Analytical | Rating Desk |
|---|--|
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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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