

M. Suryanarayana Reddy

November 22, 2022

Ratings

| Facilities/Instruments | Amount (Rs crore) | Rating ¹ | Rating Action |
|------------------------------|--|--|---|
| Long Term Bank Facilities | 8.00 | CARE B+; Stable; ISSUER NOT COOPERATING* (Single B Plus; Outlook: Stable; ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; Stable; (Double B Minus; Outlook: Stable) |
| Short Term Bank Facilities | 16.50 | CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category |
| Total Bank Facilities | 24.50 (Rs Twenty-Four Crore and Fifty Lakhs Only) | | |

Details of instruments/facilities in Annexure-1

*Issuer did not cooperate; Based on best available information

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated September 13, 2021, placed the rating(s) of M. Suryanarayana Reddy (MSR) under the 'issuer non-cooperating' category as MSR had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. MSR continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated July 30, 2022, August 10, 2022, August 19, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings assigned to the bank facilities of MSR have been revised on account of non-availability of requisite information.

Detailed description of the key rating drivers

Please refer to PR dated [September 13, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the firm

Karnataka based, M. Suryanarayan Reddy (MSR) was established in 2009 by Mr. M. Surya Narayana Reddy as a proprietorship firm. MSR is engaged in providing different types of civil construction services like construction of Railway bridges, Railway gates, Railway quarters, Railway control rooms and Railway lines for various divisions of Indian Railways like South-Western Railways, South Central Railways and South Eastern Railways in the state of Maharashtra, Jharkhand, Karnataka, Andhra Pradesh and Telangana.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

| Brief Financials (Rs. crore) | FY20 (A) | FY21 (A) | FY22 (A) | H1FY23 (Prov.) |
|------------------------------|----------|----------|----------|----------------|
| Total operating income | NA | NA | NA | NA |
| PBILDT | NA | NA | NA | NA |
| PAT | NA | NA | NA | NA |
| Overall gearing (times) | NA | NA | NA | NA |
| Interest coverage (times) | NA | NA | NA | NA |

A: Audited; Prov.: Provisional; NA: Not Available

Status of non-cooperation with previous CRA: Acuite (SMERA) has continued the rating assigned to the bank facilities of MSR into Issuer Not Cooperating category vide press release dated May 27, 2022 on account of its inability to carry out a review in the absence of the requisite information from the firm.

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Annexure-3

Complexity level of various instruments rated for this firm: Annexure-4

Annexure-1: Details of Instruments/Facilities

| Name of the Instrument | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs crore) | Rating Assigned along with Rating Outlook |
|------------------------------------|------|------------------|-------------|---------------|------------------------------|---|
| Fund-based - LT-Cash Credit | | - | - | - | 7.25 | CARE B+; Stable; ISSUER NOT COOPERATING* |
| Fund-based - LT-Cash Credit | | - | - | - | 0.75 | CARE B+; Stable; ISSUER NOT COOPERATING* |
| Non-fund-based - ST-Bank Guarantee | | - | - | - | 16.50 | CARE A4; ISSUER NOT COOPERATING* |

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

| Sr. No. | Name of the Instrument/ Bank Facilities | Current Ratings | | | Rating History | | | |
|---------|---|-----------------|-------------------------------|--|---|---|--|---|
| | | Type | Amount Outstanding (Rs crore) | Rating | Date(s) and Rating(s) assigned in 2022-2023 | Date(s) and Rating(s) assigned in 2021-2022 | Date(s) and Rating(s) assigned in 2020-2021 | Date(s) and Rating(s) assigned in 2019-2020 |
| 1 | Fund-based - LT-Cash Credit | LT | 7.25 | CARE B+; Stable; ISSUER NOT COOPERATING* | - | 1)CARE BB-; Stable; ISSUER NOT COOPERATING* (13-Sep-21) | 1)CARE BB; Stable; ISSUER NOT COOPERATING* (25-Sep-20) | 1)CARE BB+; Stable (05-Aug-19) |
| 2 | Non-fund-based - ST-Bank Guarantee | ST | 16.50 | CARE A4; ISSUER NOT COOPERATING* | - | 1)CARE A4; ISSUER NOT COOPERATING* (13-Sep-21) | 1)CARE A4; ISSUER NOT COOPERATING* (25-Sep-20) | 1)CARE A4+ (05-Aug-19) |
| 3 | Fund-based - LT-Cash Credit | LT | 0.75 | CARE B+; Stable; ISSUER NOT COOPERATING* | - | 1)CARE BB-; Stable; ISSUER NOT COOPERATING* (13-Sep-21) | 1)CARE BB; Stable; ISSUER NOT COOPERATING* (25-Sep-20) | 1)CARE BB+; Stable (05-Aug-19) |

*Issuer did not cooperate; Based on best available information

Annexure 3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable

Annexure 4: Complexity level of various instruments rated for this firm

| Sr. No. | Name of the Instrument | Complexity Level |
|---------|------------------------------------|------------------|
| 1 | Fund-based - LT-Cash Credit | Simple |
| 2 | Non-fund-based - ST-Bank Guarantee | Simple |

Annexure 5: Bank Lender Details for this firm

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

Disclaimer

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