

October 28, 2022

Njr Constructions Pvt. Ltd.: Continues to remain in Non-Cooperating category, Rating downgraded based on best available information

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund based- Cash Credit	10.00	10.00	ICRA]B+(Stable);ISSUER NOT COOPERATING*;Rating downgraded from [ICRA]BB(Stable) and Continues to remain under 'Issuer Not Cooperating' category
Non-Fund based	33.00	33.00	[ICRA]A4;ISSUER NOT COOPERATING*; Rating continues to remain under the 'Issuer Not Cooperating' category
Unallocated Limits	40.00	40.00	[ICRA]B+(Stable);ISSUER NOT COOPERATING*;Rating downgraded from [ICRA]BB(Stable) and Continues to remain under 'Issuer Not Cooperating' category
Total	83.00	83.00	

**Issuer did not cooperate; based on best available information.*

[^]Instrument details are provided in Annexure-1

Rationale

The rating downgrade is because of lack of adequate information regarding Njr Constructions Pvt. Ltd. performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at www.icra.in. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade

As part of its process and in accordance with its rating agreement with Njr Constructions Pvt. Ltd., ICRA has been trying to seek information from the entity so as to monitor its performance and ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, a rating view has been taken on the entity based on the best available information

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities, Key Financial Indicator [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/Group Support	Not Applicable
Consolidation/Standalone	The rating is based on standalone financial statements of the issuer.

About the company

Established in 1990 as a sole proprietorship firm and later constituted as a private limited company in 2009, NJR Constructions Private Limited (NJR) is engaged in execution of civil work orders mainly construction of building, bridges and roads for State and Central Government departments like Central Public Works Department (CPWD), Greater Hyderabad Municipal Corporation (GHMC), Andhra Pradesh Housing Board (APHB), Central Warehousing Corporation (CWC), Hindustan Petroleum Corporation Limited (HPCL) etc. NJR is registered as Class 1 contractor with CPWD and is also registered as a special class contractor with the government of Andhra Pradesh and Telangana. The company's promoters have extensive experience in civil construction industry.

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
CARE	[CARE]BB (Stable)/A4 ISSUER NOT COOPERATING	Jul 29, 2022

Any other information: None

Rating history for past three years

Instrument	Type	Current Rating (FY2023)			Chronology of Rating History for the past 3 years			
		Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in	Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020	
				October 28, 2022	September 30, 2021	-	Mar 26, 2020	
1 Fund Based – Cash Credit	Long Term	10.00	-	[ICRA]B+(Stable) ISSUER NOT COOPERATING	[ICRA]BB(Stable) ISSUER NOT COOPERATING	-	[ICRA]BBB-(Stable)	
2 Non-Fund Based	Short Term	33.00	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	-	[ICRA]A3	
3 Unallocated Limits	Long Term	40.00	-	[ICRA]B+(Stable) ISSUER NOT COOPERATING	[ICRA]BB(Stable) ISSUER NOT COOPERATING	-	[ICRA]BBB-(Stable)	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Fund Based – Cash Credit	Simple
Non-Fund Based	Very Simple
Unallocated Limits	NA

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Fund Based / Cash Credit	-	-	-	10.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Non- Fund Based	-	-	-	33.00	[ICRA]A4 ISSUER NOT COOPERATING
NA	Unallocated Limits	-	-	-	40.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING

Source : Njr Constructions Pvt. Ltd.

Annexure-2: List of entities considered for consolidated analysis: Not Applicable.

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About ICRA Limited:

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Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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