

November 20, 2020

## Shri Aruna Constructions Private Limited: Continues to remain in the issuer not cooperating category, Rating downgraded based on best available information

### Summary of rated instruments:

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term - Fund Based/ CC	3.00	3.00	[ICRA]B+ (Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB (Stable) and continues to remain in the 'Issuer Not Cooperating' category
Short Term - Non Fund Based	11.00	11.00	[ICRA]A4 ISSUER NOT COOPERATING*; Rating continues to remain in the 'Issuer Not Cooperating' category
<b>Total</b>	<b>14.00</b>	<b>14.00</b>	

<sup>\*</sup>Issuer did not cooperate; based on best available information.

<sup>^</sup>Instrument details are provided in Annexure-1

### Rationale

The rating downgrade is because of lack of adequate information regarding Shri Aruna Constructions Private Limited 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](http://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 Shri Aruna Constructions Private Limited, ICRA has been trying to seek information from the entity so as to monitor its performance, 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.

The previous detailed rating rationale is available on the following link: [Click here](#)

### About the company:

M/s. Shri Aruna Constructions Private Limited (SACPL) was established in the year 2002 having its registered office in Bangalore, mainly engaged in the field of civil construction work in Karnataka for various clients. SACPL primarily executes work on sub contract basis predominantly for Nagarjuna Construction Company Limited (NCCL) which remains company's major client since its incorporation. The company has also executed works for Jampana Constructions Private Limited (JCPL). The company has successfully completed its first real estate project, Aruna Pinewoods at Attur, Bangalore in October, 2013. The company has as well started with construction for with Phase-II of this project Trivik Windwalk in Attur, Bangalore in February, 2015 and the same is expected to be completed by October, 2017. SACPL has invested around Rs. 9.50 crore in Group Company named Samshti Green Farms and Hospitalities Private Limited (SGFHPL) which

became operational since FY 2010. Both the companies are managed under common control of Directors Mr. J. Rama Raju and Mr. J. Rama Babu.

**Key financial indicators:** Not applicable

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** Not applicable

### Rating history for past three years

S. No	Name of Instrument	Type	Current Rating (FY2021)		Chronology of Rating History for the Past 3 years			
			Rated amount	Amount outstanding	Month-year &	Month- year and Rating in		
					Rating	FY2020	FY2019	FY2018
			(Rs. crore)		20-Nov-20	30-Aug-19	-	15-Feb-18
1	Cash Credit	Long Term	3.00	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB (Stable); ISSUER NOT COOPERATING	-	[ICRA]BB (Stable); ISSUER NOT COOPERATING
2	Bank Guarantee	Short Term	11.00	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	-	[ICRA]A4; ISSUER NOT COOPERATING

### Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [www.icra.in](http://www.icra.in)

## Annexure-1 Instrument Details

ISIN No	Instrument	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	3.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
NA	Bank Guarantee	-	-	-	11.00	[ICRA]A4; ISSUER NOT COOPERATING

Source: Shri Aruna Constructions Private Limited

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