

Sri KPR Industries Limited

July 27, 2018

Summary of Rated Instrument:

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Cash Credit	9.00	9.00	[ICRA]BB+(Stable) ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Term Loan	1.40	1.40	[ICRA]BB+(Stable) ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Letter of Credit	1.00	1.00	[ICRA]A4+ ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Bank Guarantee	5.00	5.00	[ICRA]A4+ ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Unallocated Limit	4.37	4.37	[ICRA]A4+ ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	20.77	20.77	

*Issuer did not co-operate; based on best available information.

Rationale

The rating of Rs. 20.77-crore bank facilities of Sri KPR Industries Limited (SKPRIL) continues to remain under 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]BB+(Stable)/[ICRA]A4+ ISSUER NOT COOPERATING"

The rating is based on limited or no updated information on the entity's performance since the time it was last rated in January 2017. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating does not adequately reflect the credit risk profile of the entity. The entity's credit profile may have changed since the time it was last reviewed by ICRA; however, in the absence of requisite information, ICRA is unable to take a definitive rating action.

As part of its process and in accordance with its rating agreement with SKPRIL, 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 SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA's Rating Committee has taken a rating view based on the best available information.

Analytical approach

ICRA has applied its rating methodologies/policies as indicated below:

For arriving at the ratings, ICRA has taken a consolidated view of SKPRIL with its subsidiary Sri KPR Infra & Projects Limited (rated at [ICRA]BB+(Stable)/ [ICRA]A4+ ISSUER NOT COOPERATING) since both operate in the same line of business, have operational linkages and share a common management.

Links to applicable criteria:

[Policy in respect of non-cooperation by the rated entity](#)

About the company:

Sri KPR Industries Limited was incorporated in 1988 as Bhagyanagar Engineering Industries Limited and had been involved in manufacturing of PVC pipes in the past. Sri Venkateswara Pipes Limited (SVPL) has been merged with KPR Industries Limited w.e.f. April 01, 2012. Incorporated in 1995, SVPL had been engaged in the manufacturing and selling of Asbestos Cement Pressure Pipes (A.C). These pipes are mainly used for drinking water supply in rural and urban areas, in lift irrigation schemes and for disposal of industrial effluent in various factories. SVPL started manufacturing A.C. Pressure Pipes, with an installed capacity of 20,000 TPA, at Gundla Pochampalli Village, Medchal Mandal in Rangreddy district of Andhra Pradesh. Further in 2005-06, SVPL expanded its facility and commissioned its second plant to reach the present capacity of 50,000 MTPA. As a step towards forward integration, SVPL floated its 100% subsidiary Sri KPR Infra & Projects Ltd. in 2007-08, which is a construction company engaged in execution of drinking water supply and lift irrigation projects of various government departments.

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

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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.

For more information, visit www.icra.in

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