

September 2, 2010

**CARE ASSIGNS 'CARE BBB' TO THE BANK FACILITIES OF
RMN INFRASTRUCTURES LTD.****Ratings**

Facilities/Instruments	Amount (Rs. crore)	Ratings¹	Remarks
Long-term Bank Facilities	122.50	'CARE BBB' (Triple B Minus)	'Assigned'
Total Facilities	122.50		

Rating Rationale

The rating takes into account experienced promoters, long track record of RMNIL, healthy order book position and the growth prospects of the construction industry. The rating is however constrained by the small size of the company, moderate overall gearing levels, low profitability margin and geographical concentration of the order book. The ability of the company to successfully execute the existing large orders without any deterioration in the financial risk profile and maintain comfortable liquidity and bag new orders as an independent bidder are the key rating sensitivities.

Company Profile

R Maheshwara Naidu Engineers and Contractors (RMNEC), a partnership firm, was started in the year 1995 by Mr. R Maheshwara Naidu, a Civil Engineer. In July 2007, the firm was converted to RMN Infrastructures Limited (RMNIL), a limited company with Mr. R Maheshwara Naidu serving as the Managing Director. The company has order book worth of Rs.482 crore as on June 30, 2010 and is in L1 for Rs.500 crore worth of projects. The company achieved total operating income of Rs.126 crore and PAT of Rs.4 crore in FY09. The overall gearing was at 1.60x as on March 31, 2009.

¹Complete definition of the ratings assigned are available at www.careratings.com and in other CARE publications

As per the provisional accounts for FY10, the company had achieved total operating income of Rs.201 crore and a PAT of Rs.8 crore.

Analyst Contact

Name: Rahul Patni

Tel # 040 4010 2030

Mobile # 91600 04563

Email:rahul.patni@careratings.com

CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries /regulators or others are welcome to write to care@careratings.com for any clarifications.

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

CARE is headquartered in Mumbai, with Offices all over India. The office addresses and contact numbers are given below:

HEAD OFFICE: MUMBAI

Mr. D.R. Dogra

Managing Director

Cell : +91-98204 16002

E-mail : dr.dogra@careratings.com

Mr. Rajesh Mokashi

Dy. Managing Director

Cell : +91-98204 16001

E-mail: rajesh.mokashi@careratings.com

Mr. Ankur Sachdeva

Head - Business Development

Cell : +91-9819698985

E-mail: ankur.sachdeva@careratings.com

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway,
Sion (East), **Mumbai 400 022** Tel.: (022) 67543456 Fax: (022) 67543457

Website: www.careratings.com

OFFICES

<p>Mr.Mehul Pandya Regional Manager 32 TITANIUM Pralhadnagar Corporate Road, Satellite, Ahmedabad - 380 015. Tel – 079 4026 5656 Mobile - 98242 56265 E-mail: mehul.pandya@careratings.com</p>	<p>Mr.Sundara Vathanan Regional Manager Unit No. 8, I floor, Commander's PlaceNo. 6, Raja Ram Mohan Roy Road, Richmond Circle, Bangalore - 560 025. Tel – 080 2211 7140 Mobile – 98803 60878 E-mail: sundara.vathanan@careratings.com</p>
<p>Mr. Pradeep Kumar Regional Manager Unit No. O-509/C, Spencer Plaza, 5th Floor, No. 769, Anna Salai, Chennai 600 002 Tel: 044 2849 7812/2849 0811 Mobile – 98407 54521 E-mail :Pradeep.kumar@careratings.com</p>	<p>Mr. Ashwini Jani Regional Manager 401, Ashoka Scintilla 3-6-520, Himayat Nagar Hyderabad - 500 029 Tel – 040 40102030 Mobile – 91766 47599 E-mail: ashwini.jani@careratings.com</p>
<p>Mr. Sukanta Nag Regional Manager 3rd Floor, Prasad Chambers (Shagun Mall Building) 10A, Shakespeare Sarani Kolkata - 700 071. Tel – 033 2283 1800/1803 Mobile – 98311 70075 E- mail: sukanta.nag@careratings.com</p>	<p>Ms.Swati Agrawal Regional Manager 710 Surya Kiran, 19 K.G. Road, New Delhi - 110 001. Tel – 011 2331 8701/2371 6199 Mobile – 98117 45677 E-mail :swati.agrawal@careratings.com</p>