

Press Release

Ghai Construction Limited (GCL)

April 04, 2018

Rating Update



Total Bank Facilities Rated	Rs. 20.00 Cr. #
Long Term Rating	SMERA BB+ Issuer not co-operating*
Short Term Rating	SMERA A4+ Issuer not co-operating*

Refer Annexure for details

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

SMERA has reviewed the long-term rating of '**SMERA BB+**' (read as **SMERA double B plus**) and short term rating of '**SMERA A4+**' (read as **SMERA A four plus**) on the Rs. 20.00 crore bank facilities of Ghai Construction Limited (GCL). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower

SMERA has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit required documents before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Default Recognition-<https://www.smera.in/criteria-default.htm>
- Infrastructure Entities: <https://www.smera.in/criteria-infra.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). SMERA endeavoured to gather information about the entity/industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information on which the indicative credit rating is based.

About the rated entity

The Pune-based GCL undertakes civil construction projects for the government. For FY2015-16, GCL registered profit after tax (PAT) of Rs. 1.41 crore on total income of Rs. 41.58 crore as against PAT of Rs. 1.11 crore on total income of Rs. 25.73 crore for FY2014-15. The net worth stood at Rs. 14.84 crore as on 31 March, 2016 against Rs. 13.50 crore a year earlier.

Rating history (last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
23-Jan-2017	Cash Credit	Long Term	INR 5.00	SMERA BB+ / Stable (Assigned)
	Bank Guarantee	Short Term	INR 15.00	SMERA A4+ (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	SMERA BB+ Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	15.00	SMERA A4+ Issuer not co-operating*

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

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