

## Press Release

**Gadhiraju Construction Private Limited**



**February 18, 2022**

### **Rating Reaffirmed and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
<b>Bank Loan Ratings</b>	1.00	ACUITE B+   Reaffirmed   Issuer not co-operating*	-
<b>Bank Loan Ratings</b>	14.00	-	ACUITE A4   Reaffirmed   Issuer not co-operating*
<b>Total Outstanding Quantum (Rs. Cr)</b>	15.00	-	-
<b>Total Withdrawn Quantum (Rs. Cr)</b>	0.00	-	-

### **Rating Rationale**

Acuité has reaffirmed the long-term rating of '**ACUITE B+**' (**read as ACUITE B plus**) and the short term rating of '**ACUITE A4**' (**read as ACUITE A four**) on the Rs. 15.00 crore bank facilities of Gadhiraju Construction Private Limited (GCPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

### **About the Company**

Incorporated in 2010, GCPL, a Karnataka-based private limited company, is engaged in civil construction, electrical and structural works for Karnataka Government and private players. The company was promoted by Mr. G. Bangar Raju, Mr. G. Ravichandra Varma and Mrs. G Sushma. The directors have experience of more than one decade in the civil construction business.

### **Non-cooperation by the issuer/borrower:**

Acuité 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 such information before the due date.

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

### **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). Acuité endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

## About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

### Rating Sensitivity

No information provided by the issuer / available for Acuite to comment upon.

### Material Covenants

Not Applicable

### Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

### Outlook

Not Applicable

### Status of non-cooperation with previous CRA

None.

### Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

### Applicable Criteria

- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

### Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
18 Nov 2020	Proposed Bank Guarantee	Short Term	4.50	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	9.50	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Proposed Cash Credit	Long Term	1.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
05 Sep 2019	Bank Guarantee	Short Term	9.50	ACUITE A4+ (Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	4.50	ACUITE A4+ (Issuer not co-operating*)
	Proposed Cash Credit	Long Term	1.00	ACUITE BB- (Issuer not co-operating*)
29 Jun 2018	Proposed Cash Credit	Long Term	1.00	ACUITE BB-   Stable (Assigned)
	Bank Guarantee	Short Term	9.50	ACUITE A4+ (Assigned)
	Proposed Bank Guarantee	Short Term	4.50	ACUITE A4+ (Assigned)

## Annexure - Details of instruments rated

Lender's Name	I SIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Axis Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	9.50	ACUITE A4   Reaffirmed   Issuer not co-operating*
Axis Bank	Not Applicable	Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	4.50	ACUITE A4   Reaffirmed   Issuer not co-operating*
Axis Bank	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE B+   Reaffirmed   Issuer not co-operating*

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## About Acuité Ratings & Research

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 8,850 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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