

Press Release

GVR Infra Constructions India Private Limited

October 12, 2021

Rating Update



Total Bank Facilities Rated*	Rs.75.00 crore#
Long Term Rating	ACUITE C (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*
Short Term Rating	ACUITE A4 (Downgraded from ACUITE A3) Issuer not co-operating*

Refer Annexure for details

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

Rating Rationale

Acuite has downgraded the long term rating to '**ACUITE C**' (read as **ACUITE 'C'**) from '**ACUITE BBB-**' (read as **ACUITE triple B 'minus'**) and the short term rating to '**ACUITE A4**' (read as **ACUITE A 'Four'**) from '**ACUITE A3**' (read as **ACUITE A 'Three'**) on the Rs.75.00 crore bank facilities of GVR Infra Constructions India Private Limited (GVR IPL). The rating is flagged as "Issuer Not-Cooperating" and is based on the best available information.

Rationale for revision of ratings

The revision of ratings takes into account the instances of delays in servicing of bank obligations of Commercial vehicles loans/Equipment financing loans availed by the company.

About the Company

Incorporated in 2014 and based in Warangal (Telangana), GVR Infra Constructions India Private Ltd (GVR IPL) is engaged in the business of civil construction and primarily undertakes irrigation works in the states of Telangana and partly in Maharashtra. The closely held entity is promoted by Mr. Gankidi Venkateswar Reddy.

Non-cooperation by the issuer/borrower

Acuite 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.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-51.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/view-rating-criteria-55.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). Acuite has endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Liquidity Indicators

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

Rating Sensitivity

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

About the Rated Entity - Key Financials

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

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
17 July, 2020	Cash Credit	Long Term	28.00	ACUITE BBB-/ Stable (Reaffirmed)
	Bank Guarantee	Short Term	32.00	ACUITE A3 (Reaffirmed)
	Bank Guarantee	Short Term	15.00	ACUITE A3 (Reaffirmed)
22 June, 2020	Cash Credit	Long Term	10.00	ACUITE BBB-/ Stable (Reaffirmed)
	Bank Guarantee	Short Term	27.00	ACUITE A3 (Reaffirmed)
	Bank Guarantee	Short Term	15.00	ACUITE A3 (Reaffirmed)
23 March, 2019	Cash Credit	Long Term	10.00	ACUITE BBB-/ Stable (Assigned)
	Bank Guarantee	Short Term	27.00	ACUITE A3 (Assigned)
	Bank Guarantee	Short Term	15.00	ACUITE A3 (Assigned)

***Annexure – Details of instruments rated**

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Allahabad Bank	Cash Credit	Not Applicable	Not Applicable	Not Applicable	28.00	ACUITE C (Downgraded; Issuer not co-operating*)
Allahabad Bank	Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	32.00	ACUITE A4 (Downgraded; Issuer not co-operating*)
Canara Bank	Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A4 (Downgraded; Issuer not co-operating*)

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

Contacts

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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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