Press Release
GVR Infra Constructions India Private Limited
September 18, 2023
Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	28.00	ACUITE BB- | Downgraded | Issuer not co-operating*	-
Bank Loan Ratings	47.00	-	ACUITE A4 | Downgraded | Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	75.00	-	-

Rating Rationale
Acuité has downgraded its long term rating to **'ACUITE BB-' (read as ACUITE double B minus)'** & short term rating to **ACUITE A4 '(read as ACUITE A four)'**on the Rs 75.00 crore bank facilities of GVR Infra Constructions India Private Limited. This rating is now an indicative rating and is based on best available information and is on account of information risk .

About the Company
Incorporated in 2014 and based in Warangal (Telangana), GVR Infra Constructions India Private Limited (GVRIPL) is engaged in the business of civil construction and primarily undertakes irrigation works in the state of Telangana. The closely held entity is promoted by Mr. Gankidi Venkateswar Reddy and is a special class contractor in the region of Telangana. GVRIPL undertakes irrigation projects for 'The Superintendent Engineer' in the region, Water Resource Department, and Government of Telangana, KNR Constructions Limited, Larsen & Toubro Limited (L&T) amongst others.

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. Acuité believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with 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 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 ratingis based.

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

All Covenants
Not Applicable

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

Outlook
Not Applicable

Other Factors affecting Rating
Not Applicable

Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	297.98	325.54
PAT	Rs. Cr.	17.01	17.73
PAT Margin	(%)	5.71	5.45
Total Debt/Tangible Net Worth	Times	1.19	1.20
PBDIT/Interest	Times	3.73	3.90

Status of non-cooperation with previous CRA

Not Applicable

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

• Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm
• Default Recognition: https://www.acuite.in/view-rating-criteria-52.htm
• Infrastructure Sector: https://www.acuite.in/view-rating-criteria-51.htm

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
20 Jul 2022	Bank Guarantee	Short Term	15.00	ACUITE A4+ (Reaffirmed)
	Bank Guarantee	Short Term	32.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	28.00	ACUITE BB | Stable (Reaffirmed)
31 Jan 2022	Bank Guarantee	Short Term	15.00	ACUITE A4+ (Upgraded from ACUITE A4)
	Bank Guarantee	Short Term	32.00	ACUITE A4+ (Upgraded from ACUITE A4)
	Cash Credit	Long Term	28.00	ACUITE BB | Stable (Upgraded from ACUITE C)
12 Oct 2021	Bank Guarantee	Short Term	32.00	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	28.00	ACUITE C (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	15.00	ACUITE A4 (Downgraded and Issuer not co-operating*)
17 Jul 2020	Bank Guarantee	Short Term	15.00	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	28.00	ACUITE BBB- | Stable (Reaffirmed)
	Bank Guarantee	Short Term	32.00	ACUITE A3 (Reaffirmed)
22 Jun 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)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Indian Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	32.00	ACUITE A4 | Downgraded | Issuer not co-operating*
Canara Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	15.00	ACUITE A4 | Downgraded | Issuer not co-operating*
Indian Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	28.00	ACUITE BB- | Downgraded | Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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.