



Press Release

GVR Infra Constructions India Private Limited

December 16, 2024

Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	28.00	ACUITE B+ Downgraded Issuer not co-operating*	-
Bank Loan Ratings	47.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	75.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

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

Rating Rationale

Acuite has downgraded the long-term rating to ‘**ACUITE B+**’ (read as **ACUITE B plus**) from ‘**ACUITE BB-**’ (read as **ACUITE double B minus**) and reaffirmed the short-term rating of ‘**ACUITE A4**’ (read as **ACUITE A four**) on the Rs 75.00 crore bank facilities of GVR Infra Constructions India Private Limited on account of information risk. The rating continues to be flagged as “Issuer Not-Cooperating” and is based on the best available information.

About the Company

Incorporated in 2014 and based in Warangal (Telangana), GVR Infra Constructions India Private Limited (GVR IPL) 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. GVR IPL 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.

Unsupported Rating

Not Applicable

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 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.

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 endeavored 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.

Rating Sensitivity

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

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	299.42	297.98
PAT	Rs. Cr.	14.90	17.01
PAT Margin	(%)	4.97	5.71
Total Debt/Tangible Net Worth	Times	1.03	1.19
PBDIT/Interest	Times	4.13	3.73

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

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

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite 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
18 Sep 2023	Bank Guarantee (BLR)	Short Term	32.00	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)
	Bank Guarantee (BLR)	Short Term	15.00	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)
	Cash Credit	Long Term	28.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB Stable)
20 Jul 2022	Bank Guarantee (BLR)	Short Term	32.00	ACUITE A4+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	15.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	28.00	ACUITE BB Stable (Reaffirmed)
31 Jan 2022	Bank Guarantee (BLR)	Short Term	32.00	ACUITE A4+ (Upgraded from ACUITE A4)
	Bank Guarantee (BLR)	Short Term	15.00	ACUITE A4+ (Upgraded from ACUITE A4)
	Cash Credit	Long Term	28.00	ACUITE BB Stable (Upgraded from ACUITE C)
12 Oct 2021	Bank Guarantee (BLR)	Short Term	15.00	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A3)
	Bank Guarantee (BLR)	Short Term	32.00	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A3)
	Cash Credit	Long Term	28.00	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)

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

Annexure - Details of instruments rated

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

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

Contacts

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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.

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