

Press Release

G N Construction

November 01, 2021

Rating Update



Total Bank Facilities Rated*	Rs.13.00 Cr.#
Long Term Rating	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Short Term Rating	ACUITE A4 (Downgraded from CUITE A4+) Issuer not co-operating*

#Refer Annexure for details

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

Acuité has downgraded the long term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and short term rating to '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.13.00 Cr bank facilities of G N Construction (GNC). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

GNC, a Chhattisgarh-based partnership firm, was established in 2006 and promoted by Mr. Rishikant Singh, Mr. Pradeep Singh and Mr. Prakash Mishra. GNC has been involved in the area of bauxite loading and transportation for over a decade now and carries out these activities for Hindalco Industries Ltd. and Bharat Aluminium Company Ltd. It is one of the contractual mining firm executing various project of excavation and transportation of bauxite. The firm is also in the business of logistic and bauxite handling and ancillary activities relating to the mineral.

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 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 continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-59.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). 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.

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

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

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
31-Jul-20	Cash Credit	Long Term	12.00	ACUITE BB- (Downgraded from ACUITEBB/ Stable) Issuer not co-operating*
	Bank Guarantee	Short Term	0.70	ACUITE A4+ Issuer not co-operating*
	Proposed Fund Based	Long Term	0.30	ACUITE BB- (Downgraded from ACUITEBB/ Stable) Issuer not co-operating*
05- June- 19	Cash Credit	Long Term	12.00	ACUITE BB /Stable (Assigned)
	Bank Guarantee	Short Term	0.70	ACUITE A4+ (Assigned)
	Proposed Fund Based	Long Term	0.30	ACUITE BB /Stable (Assigned)

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

#Annexure – Details of instruments rated

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Central Bank Of India	Cash Credit	Not Applicable	Not Available	Not Available	12.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Central Bank Of India	Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.70	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*
Not Applicable	Proposed Fund Based	Not Applicable	Not Applicable	Not Applicable	0.30	ACUITE B+ (Downgraded from ACUITE BB-) 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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