

Press Release

GKR Infracon (India) Private Limited

October 14, 2021

Rating Withdrawn



Total Bank Facilities Rated*	Rs. 80.00 Cr. #
Long Term Rating	ACUITE C (Withdrawn; Issuer not co-operating*)
Short Term Rating	ACUITE A4 (Withdrawn; Issuer not co-operating*)

Refer Annexure for details

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

Rating Rationale

Acuite has withdrawn the long-term rating of '**ACUITE C**' (read as **ACUITE C**) and short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.80.00 Cr bank facilities of GKR Infracon (India) Private Limited (GKR). The rating withdrawal is in accordance with the Acuite's policy on withdrawal of rating. This rating is now "Issuer Not-Cooperating" based on the best available information. The rating is being withdrawn on account of request received from the company and NOC received from the banker.

Hyderabad (Telangana) based, GKR was incorporated in 2012. The company is promoted by Mr. Subba Reddy Lankireddy along with his sons Mr. Gopi Krishna Lankireddy and Mr. Srinivas Lankireddy and is engaged in undertaking civil construction works majorly water grid projects related to laying of pipelines and other drinking water projects. In FY2020 company has diversified its business by venturing into coalfield excavation and overburden removals.

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 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.

Applicable Criteria

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

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

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Size of the Issue (Rs. Cr.)	Ratings/Outlook
12-May-2021	Overdraft	Long Term	6.00	ACUITE C (Downgraded from ACUITE BB+ / Stable)
	Bank Guarantee	Short Term	30.00	ACUITE A4 (Downgraded from ACUITE A4+)
	Proposed Bank Facility	Long Term	14.00	ACUITE C (Downgraded from ACUITE BB+ / Stable)
	Proposed Bank Facility	Short Term	30.00	ACUITE A4 (Downgraded from ACUITE A4+)
02-Sept-2020	Overdraft	Long Term	6.00	ACUITE BB+ / Stable (Assigned)
	Bank Guarantee	Short Term	30.00	ACUITE A4+ (Assigned)
	Proposed Bank Facility	Long Term	14.00	ACUITE BB+ / Stable (Assigned)
	Proposed Bank Facility	Short Term	30.00	ACUITE A4+ (Assigned)

#Annexure – Details of instruments rated

Lenders Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Union Bank of India	Overdraft	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE C (Withdrawn; Issuer not co-operating*)
Union Bank of India	Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	30.00	ACUITE A4 (Withdrawn; Issuer not co-operating*)
Not Applicable	Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	14.00	ACUITE C (Withdrawn; Issuer not co-operating*)
Not Applicable	Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	30.00	ACUITE A4 (Withdrawn; 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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