



Press Release
GNR Cold Storage Private Limited
October 31, 2024
Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	11.62	ACUITE BB+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	11.62	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

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

Rating Rationale

Acuite has downgraded its long-term rating to 'ACUITE BB+' (read as **ACUITE Double B plus**) from 'ACUITE BBB-' (read as **ACUITE Triple B Minus**) on the Rs.11.62 Cr. bank facilities of GNR Cold Storage Private Limited.

The rating is downgraded and now flagged as "Issuer Not Co-operating" on account of information risk and is based on the best available information.

About the Company

Hyderabad based GNR Cold Storage Private Limited (GCSPL) was incorporated in 2008 and provides cold storage facilities for preserving Seeds, Food Items and Pharmaceutical at its Temperature Controlled Cold Storages/Warehouses (TCW). The Company Is Currently Being Managed by Mrs. Kiran Kumar Gubba, Mr. Prashanth Gubba, Mrs. Deepthi Gubba and Mr. Nagendra Rao Gubba.

About the Group

Gubba group has a history of 125 years with the 'Gubba' brand that started in 1857 with trading of agri-commodities. The group which includes Gubba Cold Storage Private Limited (GCS), GNR Cold Storage Private Limited (GNR), Gubba Green Cold Private Limited (GGC) and Gubba Agro Fresh Private Limited (GAF) provides cold storage facilities for preserving seeds (Commercial seed, foundation seed, and germplasm seed), food items (Fresh, Chilled, Frozen), and Pharmaceuticals. It was expanded in year of 1992 and 1993. In 1996, Gubba group diversified for the pre-cooling of fruits, the group processed more than 1000 containers of fruits and eggs for exports. In 1998, Gubba was setup first to do education on Cold Storage of India for seeds. With hundreds of research at gubba group, gubba have setup India's First Global Standards in 2008. In 2012, it had setup 3000 tonne Sub-Zero Cold Storage facility at Uppal Hyderabad.

Unsupported Rating

Not applicable

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 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 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 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 Sensitivities

"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 (Provisional)	FY 22 (Actual)
Operating Income	Rs. Cr.	73.65	63.93
PAT	Rs. Cr.	3.92	3.64
PAT Margin	(%)	5.32	5.69
Total Debt/Tangible Net Worth	Times	1.88	2.38
PBDIT/Interest	Times	2.10	2.29

Status of non-cooperation with previous CRA

Not applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Rating Process and Timeline: <https://www.acuite.in/view-rating-criteria-67.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.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. Acuité'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	
08 Aug 2023	Secured Overdraft	Long Term	1.15	ACUITE BBB-	Stable (Reaffirmed)
	Term Loan	Long Term	9.69	ACUITE BBB-	Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	0.78	ACUITE BBB-	Stable (Reaffirmed)
27 Jun 2022	Term Loan	Long Term	10.47	ACUITE BBB-	Stable (Reaffirmed)
	Secured Overdraft	Long Term	1.15	ACUITE BBB-	Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Bank of Baroda	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.15	Simple	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)
Bank of Baroda	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	9.69	Simple	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)
Bank of Baroda	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.78	Simple	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)

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

*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr No.	Company Name
1	GNR COLD STORAGE PRIVATE LIMITED
2	GUBBA AGRO FRESH PRIVATE LIMITED
3	GUBBA COLD STORAGE PRIVATE LIMITED
4	GUBBA GREEN COLD PRIVATE LIMITED

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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