



## Rating Rationale

### GSR Eco Bricks Private Limited

12 May 2020

Brickwork Ratings has reviewed the ratings for the Bank Loan Facilities of Rs. 25.91 Crores of GSR Eco Bricks Private Limited based on best available information. As the issuer did not cooperate, accordingly the ratings for the said bank loan facilities are Reaffirmed at BWR D and migrated to the Issuer Not Cooperating\* category.

#### Particulars

Facility	Amount (₹ Crs)		Tenure	Rating*	
	Previous	Present		Previous 02 November 2017	Present
<b><u>Fund based</u></b>					
Open Cash Credit	7.50	7.50	Long Term	<b>BWR D</b> (Assign)	<b>BWR D</b> (Reaffirm) Issuer Not Cooperating**
Term Loan I	11.09	11.09			
Term Loan II	5.82	5.82			
Adhoc	1.50	1.50			
<b>Total</b>	<b>25.91</b>	<b>25.91</b>			

\*Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings.

\*\*Issuer did not cooperate; Based on best available information

# Note: Details of Bank facilities are provided in Annexure I

### Ratings Reaffirmed and migrated to ISSUER NOT COOPERATING\* category

#### Nature of Non-Cooperation:

The ratings were due for a Surveillance. Brickwork Ratings (BWR) took up with the issuer to provide required information over emails and through telephone communication. Despite the best efforts of Brickwork Ratings to get at least the minimum required information for a Surveillance, the entity has not provided the same. In the absence of adequate information from the issuer and continued lack of management cooperation, Brickwork Ratings is unable to assess the issuer's financial performance and its ability to service its debt and maintain valid ratings. Based on inadequate information and continued lack of management cooperation, and non submission of No Default Statement for more than 3 months



consecutively(Feb-April 2020), Brickwork Ratings has Reaffirmed the ratings to 'BWR D and migrated to the Issuer Not Cooperating\* category.

### Limitations of the ratings:

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the assigned ratings may also be accompanied by financial stress. Users of the credit ratings should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding of information required for a review of the ratings.

### Analytical Approach

For arriving at its ratings, BWR has applied its rating methodology as detailed in the Rating Criteria detailed below (hyperlinks provided at the end of this rationale).

### About the Company

GSR Eco Bricks Private Limited (GEBPL), was incorporated on 21st February 2014, with registered office in Yellareddyguda, Hyderabad, Telangana. GEBPL has started its commercial business operations from June 2015. The company is engaged in manufacturing of Autoclaved Aerated Concrete Blocks (ACC blocks), with manufacturing unit at Uppumaguluru village, Ballikurava mandal, Prakasam district, Andhra Pradesh. Shri. G Jagan Mohan Rao and Smt. G Seetaramamma are the directors of the company.

**Financial information and No default statement has not been submitted to BWR over the last three months**

### Company Financial Performance

During FY16, MCMRG reported total operating revenue of ₹ 4.22 Cr and a net loss of ₹ 2.60 Cr. As of 31st March 2016, the firm's tangible net worth stood at ₹ 9.90 Cr.

### Rating History for the last three years (including withdrawn/suspended ratings)

Facility	Current Rating (2020)			Rating History			
	Type	Amount (₹ Crs)	Rating	2019 4.02.2019	2018	2017 2.11.2017	
<b>Fund Based</b>							
Open Cash	Long Term	7.50	<b>BWR D</b> (Reaffirm) Issuer Not Cooperating*	---	---	---	
Credit							
Term Loan I							11.09
Term Loan II							5.82
Adhoc							1.50



<b>Total</b>		<b>25.91</b>	<b>INR Twenty Five Crores and Ninety One Lakhs Only</b>			

\* Issuer did not cooperate; Based on best available information

**Note:** An initial ratings of BWR D for the Bank Loan Facilities of Rs.25.91 Crs was assigned on 2nd November 2017.

**Status of non-cooperation with previous CRA-** Nil

**Key Covenants of the facility rated:** The terms of sanction include standard covenants normally stipulated for such facilities.

**Complexity Levels of the Instruments:**

For more information, visit <https://www.brickworkratings.com/download/ComplexityLevels.pdf>

**Hyperlink/Reference to applicable Criteria**

- [General Criteria](#)
- [What Constitutes Non-Cooperation](#)
- [Approach to Financial Ratios](#)

**For any other criteria obtain hyperlinks from website**

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## Annexure I

### GSR Eco Bricks Private Limited Details of Bank Facilities rated

Bank	Facilities	Tenure	Amount (Rs. Cr)
Andhra Bank A T Agraharam Branch, Guntur Andhra Pradesh	<b>Fund Based:</b> Open Cash Credit Term loan I Term Loan II Adhoc	Long Term	7.50 11.09 5.82 1.50
<b>Total</b>			<b>25.91</b>

#### For print and digital media

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#### About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India.

Brickwork Ratings has Canara Bank, a leading public sector bank, as its promoter and strategic partner. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

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