

G.R Constructions

February 24, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	56.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BB; Stable and moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Ltd. has been seeking information from G.R Constructions to monitor the rating(s) vide e-mail communications dated October 22, 2025, January 05, 2026, January 16, 2026, January 19, 2026, and January 21, 2026, and numerous phone calls. However, despite our repeated requests, the firm has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE Ratings Limited has reviewed the rating on the basis of the best available information which however, in CARE Ratings Limited's opinion is not sufficient to arrive at a fair rating. The rating of G.R Constructions' bank facilities will now be denoted as CARE BB-; Stable ISSUER NOT COOPERATING *.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating.

The revision in rating is on account non availability of latest financial and operational information.

Analytical approach: Standalone

Detailed description of key rating drivers:

At the time of last rating on March 29, 2025, the following were the rating strengths and weaknesses.

Key weaknesses

Project execution highly dependent on customers advances

As seen in the past completed project, the firm is largely dependent on customer advances to fund project cost, and its timely receipt will be crucial for project progress. Unsold inventory remains ~38% for ongoing projects. Improvement in sales velocity in ongoing projects will be key monitorable for its credit profile.

Slow overall construction progress in ongoing projects

For ongoing projects, GR Sitara, has a total saleable area of 3.44 lsf and has reported satisfactory construction progress of nearly 84% as of December 31, 2024, and is expected to complete before deadline of December 2026. The firm sold ~177 apartments of the total 250 apartments. For GR Samskruthi, the construction progress is near to 48% and completion is expected to be delayed by 6 months from its original RERA timeline. In terms of inventory, the firm sold 134 apartments, which is ~50% of total apartments.

Exposure to inherent cyclicity in the real-estate industry

GRC's business significantly depends on performance of the real-estate market, primarily in Bengaluru, where its entire ongoing and upcoming projects are located. Being a cyclical industry, real estate depends on macro-economic factors and the firm's dependence on a particular geography further heightens such risk.

Constitution of entity as a partnership firm with inherent risk of capital withdrawal

The constitution as a partnership firm has inherent risk of withdrawal of partner's capital at the time of personal contingency, which will affect its capital structure. The partners have withdrawn Rs 20 cr during FY24, however as per the management funds were used to buy land parcels. Moreover, partnership firms have restricted access to external borrowing, which limits growth opportunities to some extent.

Key strengths

Experience of promoters in the real estate industry

GRC is presently managed by Eshwar Naidu and Mamatha Shree, who are engaged in real estate business and have an overall experience of 20 years in the construction space. The partners have completed 12 residential projects of 13.27 lsf so far and have

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

a track record of completing projects on time. In the past, the firm has received financial assistance from partners and its related parties as unsecured loans, when it was necessary to complete projects. Going forward, CARE Ratings expects that the same support would continue in the medium term in case of cash crunch or liquidity issue.

Sizeable upcoming projects in the pipeline

GRC has plans to launch new projects in residential segment having saleable area of 8.76 lsf in the medium term, which will expose the firm to high execution and funding risk. The firm has prior experience in residential projects but timely execution of projects within budgeted cost and timely sale of property would be a key rating monitorable.

Liquidity: Stretched

Firm's liquidity is constrained on account of slow sales velocity translating into low receivable coverage of 24%. The firm had cash and bank balances to the tune of Rs ~8.0 crores and undrawn bank lines of Rs. 15.5 Cr as on December 31, 2024. The liquidity profile of the firm is stretched given the upcoming debt repayments and sizeable balance project cost to be incurred for timely completion of the projects.

Applicable criteria

[Definition of Default](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Rating methodology for Real estate sector](#)

[Liquidity Analysis of Non-financial sector entities](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Realty	Realty	Residential, Commercial Projects

GRC was established in 1999 as a partnership firm and is presently handled by Eshwar Naidu and Mamatha Shree. The firm is engaged in constructing residential apartments and villas. The firm undertakes projects largely in the Joint Development Agreement (JDA) mode. Some of real estate projects completed by the firm include GR Vista, GR Shanthinivas, GR Sagarnivas, GR Santhrupthi phase-1, GR Santhrupthi phase-2, GR Sankalpa, and GR Shrushti among others. GRC is currently implementing two residential projects, GR Samskruthi and GR Sitara in Bengaluru.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	50.43	102.63
PBILDT*	14.76	21.34
Profit after tax (PAT)	5.53	9.94
Overall gearing (x)	0.80	1.05
Interest coverage (x)	3.32	4.81

A: Audited UA: Unaudited; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan	-	-	-	March 2027	56.00	CARE BB-; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	56.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	1)CARE BB; Stable (08-Apr-25)	1)CARE BB+; Stable (02-Apr-24)	1)CARE BB+; Stable (05-Apr-23)	1)CARE BB+; Stable (05-May-22)

*Issuer did not cooperate; based on best available information.

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

<p>Media Contact</p> <p>Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in</p> <p>Relationship Contact</p> <p>Saikat Roy Senior Director CARE Ratings Limited Phone: +91-22-6754 3404 E-mail: saikat.roy@careedge.in</p>	<p>Analytical Contacts</p> <p>Karthik Raj K Director CARE Ratings Limited Phone: +91-80-4662 5555 E-mail: karthik.raj@careedge.in</p> <p>Himanshu Jain Associate Director CARE Ratings Limited Phone: +91-80-4662 5528 E-mail: himanshu.jain@careedge.in</p> <p>Sourav Dalan Analyst CARE Ratings Limited E-mail: Sourav.dalan@careedge.in</p>
--	--

About us:

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

Disclaimer:

This disclaimer pertains to the ratings issued and content published by CARE Ratings Limited ("CareEdge Ratings"). Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. Any opinions expressed herein are in good faith and are subject to change without notice. The rating reflects the opinions as on the date of the rating. A rating does not convey suitability or price for the investor. The rating agency does not conduct an audit on the rated entity or an independent verification of any information it receives and/or relies on for the rating exercise. CareEdge Ratings has based its ratings/outlook on the information obtained from reliable and credible sources. CareEdge Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. The users of the rating should rely on their own judgment and may take professional advice while using the rating in any way. CareEdge Ratings shall not be liable for any losses that user may incur or any financial liability whatsoever to the user of the rating. The use or access of the rating does not create a client relationship between CareEdge Ratings and the user.

CAREEDGE RATINGS DISCLAIMS WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR OTHER WARRANTIES OR CONDITIONS, TO THE EXTENT PERMITTED BY APPLICABLE LAWS, INCLUDING WARRANTIES OF MERCHANTABILITY, ACCURACY, COMPLETENESS, ERROR-FREE, NON-INFRINGEMENT, NON-INTERRUPTION, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR INTENDED USAGE.

Most entities whose bank facilities/instruments are rated by CareEdge Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CareEdge Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. CareEdge Ratings does not act as a fiduciary by providing the rating. The ratings are intended for use only within the jurisdiction of India. The ratings of CareEdge Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades. CareEdge Ratings has established policies and procedures as required under applicable laws and regulations which are available on its website.

Privacy Policy applies. For Privacy Policy please refer to https://www.careratings.com/privacy_policy

© 2026, CARE Ratings Limited. All Rights Reserved.

This content is being published for the purpose of dissemination of information required as per applicable law and regulations and CARE Ratings Limited holds exclusive copyright over the same. Any reproduction, retransmission, modification, derivative works or use or reference to the contents, in whole, in part or in any form, is prohibited except with prior express written consent from CARE Ratings Limited.

**For detailed Rating Report and subscription information,
please visit www.careratings.com**