

Guru Raghavendra Infrastructures

February 27, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	40.00	CARE BB; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BB+; Stable and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	10.00	CARE A4; ISSUER NOT COOPERATING*	Downgraded from CARE A4+ 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 Guru Raghavendra Infrastructure (GRI) to monitor the ratings vide e mail communications/letters dated November 21, 2025, to February 11, 2026, and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the ratings on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating. The rating on GRI's bank facilities will now be denoted as CARE BB; Stable; ISSUER NOT COOPERATING for long term rating and CARE A4; ISSUER NOT COOPERATING for short term rating.

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

The ratings have been revised on account of non-availability of requisite information due to non-cooperation by Guru Raghavendra Infrastructure with CARE's effort to undertake a review of the outstanding ratings as CARE views information availability risk as key factor in its assessment of credit risk profile.

Analytical approach: Standalone

Outlook: Stable

CARE Ratings believes that the entity shall sustain its moderate financial risk profile over the medium term.

Detailed description of key rating drivers:

At the time of last rating on [March 10, 2025](#), the following were the rating weaknesses and strengths.

Key weaknesses

Moderate scale of operation albeit long presence in the industry: GRI commenced its operations in the year 2006, yet the scale of operations of the firm remained moderate. The firm's revenue was below Rs.200 crore for last 4 years ended FY22. However, with receipt of orders pertaining to civil works for fishing harbours in the state of Andhra Pradesh, GRI was able to achieve revenue of Rs.313.09 crore with a PBILDT and PAT of Rs.25.27 crore and Rs.9.06 crore respectively in FY23. Further, In FY24, the revenue shows degrowth by ~13% and stood at Rs. 271.39 crore primarily on account of completion of order execution in Maharashtra majorly executed in FY23. In line with decline in TOI, PBILDT and PAT of reduced to Rs. 17.50 crore and Rs. 4.91 crore respectively.

In current fiscal, in 9MFY25, GRI reported revenue of Rs.147.57 crore which is 54% of revenue achieved in FY24. Further, the company has been executing significant value of work order for fishing harbours which is expected to be billed by end of Q4FY25.

Segment and geographic concentration: GRI focus was majorly on irrigation projects till FY22. However, in September 2021 and in FY23, the firm bagged contracts from MRKR Construction and Industries Private Limited pertaining to civil works in fishing harbours in three locations. Total order value of these three projects stood at Rs.733.97 crore out of which GRI executed order worth Rs. 632 crore till December 31, 2024. The balance work is expected to be completed by Q1FY26. The firm's concentration on projects solely within the state of Andhra Pradesh further restricts its market reach, making it vulnerable to regional economic fluctuations or limited project availability. To ensure long-term sustainability and maximize growth opportunities, GRI may need to consider expanding its project portfolio and geographical footprint.

Constitution of the entity as partnership firm with inherent risk of withdrawal of capital: Constitution as a partnership has the inherent risk of possibility of withdrawal of the capital at the time of personal contingency which can adversely affect its

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

capital structure. Furthermore, partnerships have restricted access to external borrowings as credit worthiness of the partners would be key factor affecting credit decision for the lenders. Over last five years ended FY24, there have been instances of infusion of capital and withdrawal of capital. During FY24, there was a net withdrawal of capital amounting to Rs. 8.30 crore as of March 31,2024.

Fragmented nature of construction sector with tender-based nature of operations and execution challenges: The infrastructure sector in India is highly fragmented and competitive with many small and mid-sized players. This coupled with tendering process in order procurement results in intense competition within the industry, fluctuating revenues, and restrictions in profitability. Additionally, continued increase in execution challenges including delays in land acquisition, regulatory clearances, aggressive bidding, interest rate risk and delays in project due to environmental clearance are other external factors that affect the credit profile of industry players. All these are tender- based and the revenues are dependent on the ability of the company to bid successfully for these tenders. Profitability margins come under pressure because of competitive nature of the industry. However, the promoter's long industry experience of nearly five decades mitigates this risk to some extent.

Key strengths

Experienced and resourceful partners: GRI was established in the year 2006 and has been in the civil construction industry for more than one and a half decade. The firm is managed by Mr. D Venkata Krishna Reddy (Managing Partner) & Ms. D Srilatha (Partner) both are qualified graduates and having more than one decade of experience in the civil construction industry. Due to long presence of the partners in the construction industry, the partners have established relations with its customers which has benefitted in terms of bagging new orders in competitive environment. Continuous support from the promoters to meet capex or WC requirements. Till 8MFY24, promoters infused funds amounting to Rs. 37 crores which are subordinated to bank in current fiscal year.

Medium term revenue visibility from order book: GRI has outstanding order book position of Rs.874 crore as on December 31, 2024, which at gross billing level of FY24 translates into order book to gross billing ratio of 3.23x. However, out of the said order book, order from Gayatri Projects Limited (GPL) is slow-moving and excluding the same, active order book stands at Rs.109.10 crore which provides revenue visibility of 0.40x. However, it is to be observed that the order from Gayatri Projects Limited is from Megha Engineering and Infrastructures Limited (MEIL) and the company has entered into tripartite agreement with MEIL and GPL. GRI will be receiving funds directly from MEIL for the works executed. Hence, the risk of payments towards the executed work is mitigated to a certain extent. The order is basically slow-moving in nature due to delay in release of funds by state government of Andhra Pradesh. Given that Gayatri Projects Limited is currently admitted to NCLT, the firm is in discussion with the principal contractor i.e., MEIL and is expecting the work to commence gradually from FY26 onwards.

Improved capital structure and debt coverage indicators: Total debt of the firm consists of term loans, working capital borrowings. Capital structure of the company marked by overall gearing ratio improved and stood comfortable at 0.22x as on March 31, 2024 against 1.79x as on March 31, 2023, at the back of gradual repayment of term loans and unsecured loans from promoters to the extent of Rs. 37 crores have been subordinated to bank resulted in improved net worth position. Other debt coverage indicators i.e., total debt/GCA improved to 1.57x on March 31, 2024, as compared to 3.75x as on March 31, 2023.

Satisfactory operating cycle: The operating cycle of the firm is satisfactory with collection days of 58 days which has reduced significantly from about 4-5 months in last three years. The payments pertaining to work executed in fishing harbours are realised within a period of 30-45 days. And given majority of the work executed in FY23 is from the same, the realization has been better. However, the firm has also extended payments to its creditors which resulted in high creditor days of 127 days in FY24 as compared to 96 days in FY23. The payments to creditors are cleared once the firm received bills in Q1 of every financial year. Hence, as per the management, closing balances of creditors are on a higher side.

Stable demand outlook for construction industry: Growth in infrastructure is critical for the development of the economy and hence, the construction sector assumes an important role. The sector was marred by varied challenges during the last few years on account of economic slowdown, regulatory changes and policy paralysis which had adversely impacted the financial and liquidity profile of players in the industry. The Government of India (GoI) has undertaken several steps for boosting the infrastructure development and to revive the investment cycle in the country. The same has resulted in increased order inflow and movement of passive orders in the existing order book of the players. Thus, demand outlook for the construction industry remains stable; though shall also depend on movement in the orderbook, financial health of the companies and effectiveness of government support.

Liquidity: Not applicable

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[Definition of Default](#)

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

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

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Construction Sector](#)

[Infrastructure Sector Ratings](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Construction	Construction	Civil Construction

Guru Raghavendra Infrastructures (GRI) was established as a partnership concern in Hyderabad, Telangana on 25 June 2006. The firm is promoted by Mr. Daggumati Venkata Krishna Reddy along with his wife, Daggumati Sreelatha. The firm was established to produce gravel using stone crushers and supply ready mix concrete. The firm entered into civil work in 2017 and provides services in irrigation works, hydro power, construction of bridges and road works on sub-contract basis. Currently, the firm's majority of revenue is derived from execution of civil contracts and small share of revenue is from supply of material i.e., ready mix concrete and metal.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	9MFY25 (UA)
Total operating income	313.09	271.39	147.57
PBILDT*	25.27	17.50	10.88
Profit after tax (PAT)	9.06	4.91	3.96
Overall gearing (x)	1.79	0.22	NA
Interest coverage (x)	5.73	5.55	7.12

A: Audited UA: Unaudited; NA: Not available; Note: these are latest available financial results

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

Status of non-cooperation with previous CRA: India Ratings vide its press release dated May 12, 2025, has retained the ratings of Guru Raghavendra Infrastructures under "Issuer Not Cooperating" category because of lack of adequate information.

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 (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	40.00	CARE BB; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	10.00	CARE A4; 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	Non-fund-based - ST-Bank Guarantee	ST	10.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4+ (10-Mar-25)	1)CARE A4+ (06-Feb-24)	-
2	Fund-based - LT-Cash Credit	LT	40.00	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable (10-Mar-25)	1)CARE BB+; Stable (06-Feb-24)	-

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

LT: Long term; ST: Short 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-Cash Credit	Simple
2	Non-fund-based - ST-Bank Guarantee	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

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