

GVK Gautami Power Limited (Revised)

November 03, 2022

Rating/Ratings

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	1,009.75	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	1,009.75 (₹ One Thousand Nine Crore and Seventy-Five Lakhs Only)		

Details of instruments/facilities in Annexure-1.

Detailed rationale and key rating drivers

CARE had, vide its press release dated September 13, 2021, placed the ratings of GVK Gautami Power Ltd. (GGPL) under the 'issuer non-cooperating' category as GGPL had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. GGPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a email dated August 14, 2022, August 19, 2022 and October 03, 2022. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating.

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

Detailed description of the key rating drivers

At the time of last rating on September 13, 2021 the following were the rating strengths and weaknesses (updated for the information available from Registrar of Companies):

Key rating weaknesses

Stretched liquidity position with delay in debt servicing:

The liquidity position of the company continued to remain stretched on an account of plant being non- operational since 2016 resulting in delays in debt servicing as per Audit Report FY21.

Key rating strengths

Experience of group in power sector:

GGPL is a part of the Hyderabad-based GVK group, which is one of the first Independent Power Plant developers in the country. The GVK group through GVK Power & Infrastructure Limited and its subsidiaries has substantial ownership interest in power generating assets and is also engaged in the building and developing of road projects, providing infrastructure facilities, exploration of oil & natural gas, operations, maintenance and development (OMD) of airport projects and exploration of coal mines. The group has 15 assets in its portfolio, out of which, seven assets are in power, four in highways, two are in mining and two in airports.

Analytical approach: Standalone financials have been considered.

Applicable criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Financial Ratios – Non financial Sector](#)

[Rating Outlook and Credit Watch](#)

[Power Generation Projects](#)

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

About the company

GVK Gautami Power Ltd. is a subsidiary of GVK Energy Limited (GEL), which in turn is the subsidiary of GVK Power & Infrastructure Limited the flagship company of the GVK group. The company set up a 464 MW gas-based Combined Cycle Power Plant (CCPP), located in East Godavari District of Andhra Pradesh, comprising two gas turbine generators and one steam turbine generator.

Brief Financials (₹ crore)	March 31, 2020 (A)	March 31, 2021 (A)	March 2022, (A)	H1FY23 (UA)
Total operating income	0.00	2.25	NA	NA
PBILDT	-3.93	-0.63	NA	NA
PAT	-274.65	-329.40	NA	NA
Overall gearing (times)	-0.94	-0.72	NA	NA
Interest coverage (times)	-0.02	0.00	NA	NA

A: Audited UA: Unaudited NA: Not available

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating history for the last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

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 along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	43.75	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	30-06-2020	851.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - LT-Letter of credit		-	-	-	115.00	CARE D; ISSUER NOT COOPERATING*

Annexure-2: Rating history for the 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 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	851.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (13-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (21-Jul-20)	1)CARE D; ISSUER NOT COOPERATING* (10-May-19)
2	Fund-based - LT-Cash Credit	LT	43.75	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (13-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (21-Jul-20)	1)CARE D; ISSUER NOT COOPERATING* (10-May-19)
3	Non-fund-based - LT-Letter of credit	LT	115.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (13-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (21-Jul-20)	1)CARE D; ISSUER NOT COOPERATING* (10-May-19)

*Long term/Short term.

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

Annexure-4: Complexity level of various instruments rated for this company

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - LT-Letter of credit	Simple

Annexure-5: Bank lender details for this company

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

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

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About us:

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