

GVK Industries Limited

February 17, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	520.07	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	19.60	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under 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 (CARE) had, vide its press release dated November 27, 2023, placed the ratings of GVK Industries Limited (GIL) under the 'issuer non-cooperating' category as GVK Industries Limited had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. GVK Industries Limited continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and email dated between October 12, 2024, to February 03, 2025. 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.

Analytical approach: Standalone

Detailed description of the key rating drivers:

At the time of last rating on November 27, 2023, the following were the rating strengths and weaknesses (updated for the information available from Registrar of Companies):

Detailed description of key rating drivers:

Key weaknesses:

Stretched liquidity position with delay in debt servicing:

The liquidity position of the company continues to remain stretched with delays in debt servicing since the company is reporting continues net losses and cash losses.

Key Strength:

Experience of group in power sector:

GIL 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.

Assumptions/Covenants: Not Applicable

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

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

Applicable criteria

[Definition of Default](#)

[Policy in respect of non-cooperation by issuers](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

[Power- Transmission](#)

[Power Distribution](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Utilities	Power	Power	Power Generation

GVK Industries Limited (GIL) is a wholly owned subsidiary of GVK Energy Limited (GEL) incorporated in June, 1992. Further, GEL is also the subsidiary of GVK Power & Infrastructure Limited, the flagship company of the GVK group. GIL is engaged in generation of electricity at its mixed fuel combined cycle power plants situated in Jegurupadu in Andhra Pradesh (AP). Total installed capacity of the company is 437 MW, which was set up in two stages of 217 MW (Phase I) and 220 MW (Phase II).

Brief Financials (₹ crore)	March 31, 2020 (A)	March 31, 2021 (A)
Total operating income	0.00	0.00
PBILDT	-8.58	-3.82
PAT	-118.46	-135.73
Overall gearing (times)	-3.87	-1.90
Interest coverage (times)	-0.11	-0.05

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

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 (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		-	-	-	31.46	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	30/06/2022	488.61	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	19.60	CARE D; 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 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term Loan	LT	488.61	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (27-Nov-23)	1)CARE D; ISSUER NOT COOPERATING* (07-Nov-22)	1)CARE D; ISSUER NOT COOPERATING* (13-Sep-21)
2	Fund-based - LT-Cash Credit	LT	31.46	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (27-Nov-23)	1)CARE D; ISSUER NOT COOPERATING* (07-Nov-22)	1)CARE D; ISSUER NOT COOPERATING* (13-Sep-21)
3	Non-fund-based - ST-Letter of credit	ST	19.60	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (27-Nov-23)	1)CARE D; ISSUER NOT COOPERATING* (07-Nov-22)	1)CARE D; ISSUER NOT COOPERATING* (13-Sep-21)

*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	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Letter of credit	Simple

Annexure-5: Lender details

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

Note on complexity levels of rated instruments: CARE 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

Media Contact Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in Relationship Contact Saikat Roy Senior Director CARE Ratings Limited Phone: 912267543404 E-mail: saikat.roy@careedge.in	Analytical Contacts Karthik Raj K Director CARE Ratings Limited Phone: +91-80-4662-5555 E-mail: karthik.raj@careedge.in Mohammed Javed Ansari Assistant Director CARE Ratings Limited Phone: 914040020131 E-mail: Mohammed.A@careedge.in Hari Narayan Devda Analyst CARE Ratings Limited E-mail: Hari.devda@careedge.in
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About us:

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