

## Godaavari Labs Private Limited

March 10, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	155.50	CARE D; ISSUER NOT COOPERATING*	Rating 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 (CARE) has been seeking information from Godaavari Labs Private limited (GLPL) to monitor the ratings vide e-mail communications dated between January 21, 2025, to February 05, 2025, among others 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 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 rating(s).**

**Analytical approach:** Standalone

**Outlook:** Not Applicable

### Detailed description of key rating drivers:

At the time of last rating on August 23, 2024 the following were the rating strengths and weaknesses (updated for the information available from FY24 Audited financials from MCA).

### Key weaknesses

#### Delays in Debt Servicing Obligations

Company is a project stage entity, COD was expected in Q1FY25, however there has been delay in commencement of commercial operations as the project is yet to complete. This has resulted in cash flow mismatch and lenders have informed that, the company is unable to timely service interest obligation towards its term loans.

**Liquidity:** Poor

Liquidity is poor marked by no cashflow generation as of now as the company is yet to commence operations.

**Assumptions/Covenants- NA**

**Environment, social, and governance (ESG) risks - Nil**

### Applicable criteria

[Definition of Default](#)

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

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

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Pharmaceuticals](#)

[Financial Ratios – Non financial Sector](#)

[Project stage companies](#)

<sup>1</sup>Complete definition of ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Limited's publications.

## About the company and industry

### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Healthcare	Healthcare	Pharmaceuticals & Biotechnology	Pharmaceuticals

Godaavari Labs Private Limited (GLPL) was incorporated in the year 2013 and has proposed to set up a unit in Andhra Pradesh to manufacture Active Pharmaceuticals Ingredients (API) and intermediates for different therapeutic segment. The total project cost is estimated at Rs 232 crore proposed to be funded through bank debt of Rs 130 crore and remaining through promoters contribution.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	0.00	0.00	0.00
PBILDT	-0.14	-0.16	-0.40
PAT	-0.14	-0.21	-0.41
Overall gearing (times)	1.53	2.65	2.35
Interest coverage (times)	NM	NM	NM

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

**Status of non-cooperation with previous CRA:** Brickwork continues to categorise the ratings assigned to the bank facilities of GLPL under the 'non-cooperation category' vide its PR dated August 27, 2024, due to its inability to carry out a rating exercise in the absence of the requisite information from the company

**Any other information:** NA

**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		-	-	-	25.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	31/03/2032	130.50	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	130.50	CARE D; ISSUER NOT COOPERATING*	1)CARE D (23-Aug-24)	1)CARE BB-; Stable (21-Mar-24)	1)CARE BB-; Stable (27-Feb-23)	-
2	Fund-based - LT-Cash Credit	LT	25.00	CARE D; ISSUER NOT COOPERATING*	1)CARE D (23-Aug-24)	1)CARE BB-; Stable (21-Mar-24)	1)CARE BB-; Stable (27-Feb-23)	-

\*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-Cash Credit	Simple
2	Fund-based - LT-Term Loan	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](mailto:care@careedge.in) for clarifications.

## Contact Us

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### About us:

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### Disclaimer:

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