



## Press Release

**GKC Projects Limited**

**February 16, 2024**

### Ratings

Instrument / Facility	Amount	Current Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Long Term Bank Facilities	-	-	Withdrawn	Simple
Optionally Convertible Debenture	-	-	Withdrawn	Complex
<b>Total</b>	-			

### Detailed Rationale, Key Rating Drivers, and Detailed description of the key rating drivers

Infomerics has withdrawn the outstanding rating of IVR D ISSUER NOT COOPERATING (IVR D Issuer Not Cooperating) assigned to the bank facilities and optionally convertible debenture of GKC Projects Limited with immediate effect. The above action has been taken at the request of GKC Projects Limited and 'No Due Certificate' received from its lenders, Bank of Baroda, ICICI Bank, IDBI Bank, Kotak Mahindra Bank, State Bank of India, Standard Chartered Bank, and Yes Bank along with 'No Due Certificate' from the debenture trustee, SBICAP Trustee Company Limited, which had extended the facilities rated by Infomerics.

### Detailed Rationale

The rating is withdrawn in accordance with Infomerics' policy on withdrawal. Link to the withdrawal policy is provided below:

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Criteria of assigning rating outlook](#)

[Rating Methodology for Infrastructure companies](#)

[Policy on withdrawal of ratings](#)

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Default Recognition Policy](#)



## Press Release

### About the Company

Incorporated as Gokul Krishna Constructions (a sole proprietary concern) in 1996 by Mr. K.V. Rajasekhar at Hyderabad, GKCPL was earlier engaged into a business of execution of subcontract works on behalf of various reputed infrastructure companies. As the scale of its operations increased, the entity was reconstituted as a private limited company under the name, Gokul Krishna Constructions Private Limited in 2004. Later in March 2008, the company was converted to a public limited company and renamed as GKC Projects Limited (GKCPL). The company is currently in the business of execution of EPC (Engineering, Procurement and Construction) contracts for highways, irrigation, water pipelines, power, and other sectors.

The company has undergone financial difficulties due to delays in approvals from the clients, prolonged litigation in the settlement of claims etc. In November 2019 company has been admitted to Corporate Insolvency Process by NCLT, Hyderabad. During the NCLT process, the company has been taken over by SMC Infrastructure Private Limited vide NCLT order dated 30th March 2021. Consequently, the old Board has been suspended and the new Board of Directors has been appointed by SMC Infrastructure Private Limited.

**Status of non-cooperation with previous CRA:** The rating continues to remain under Issuer Not Cooperating category from ICRA as per press release dated May 29, 2023. However, the reason for maintaining the rating in the Issuer Not Cooperating category is not given.

**Any other information: N.A.**

### **Rating History for last three years:**

Sr · N o.	Name of Instrument/ Facilities	Current Ratings (Year 2023-24)				Rating History for the past 3 years		
		Type	Amount outstand ing (Rs. Crore)	Rating	Dec 08, 2023	Date(s) & Rating(s) assigned in 2022- 23 (Dec 12, 2022)	Date(s) & Rating(s) assigned in 2021- 22 (Dec 22, 2021)	Date(s) & Rating(s) assigned in 2020- 21 (Dec 22, 2020)
1.	Long term bank facilities	Long Term	-	Withdrawn	IVR D ISSUER NOT COOPERATING*	IVR D ISSUER NOT COOPER ATING*	IVR D ISSUER NOT COOPER ATING*	IVR D ISSUER NOT COOPER ATING*



## Press Release

Sr · N o.	Name of Instrument/ Facilities	Current Ratings (Year 2023-24)				Rating History for the past 3 years		
		Type	Amount outstand ing (Rs. Crore)	Rating	Dec 08, 2023	Date(s) & Rating(s) assigned in 2022- 23 (Dec 12, 2022)	Date(s) & Rating(s) assigned in 2021- 22 (Dec 22, 2021)	Date(s) & Rating(s) assigned in 2020- 21 (Dec 22, 2020)
2.	Optionally Convertible Debenture	Long Term	-	Withdrawn	IVR D ISSUER NOT COOPERATING*	IVR D ISSUER NOT COOPER ATING*	IVR D ISSUER NOT COOPER ATING*	IVR D ISSUER NOT COOPER ATING*

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

### Name and Contact Details of the Rating Analyst:

Name: Mr. Shantanu Basu	Name: Mr. Sandeep Khaitan
Tel: (033) 48033621	Tel: (033) 48033621
Email: <a href="mailto:shantanu.basu@infomerics.com">shantanu.basu@infomerics.com</a>	Email: <a href="mailto:sandeep.khaitan@infomerics.com">sandeep.khaitan@infomerics.com</a>

### About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.



## Press Release

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit [www.infomerics.com](http://www.infomerics.com)

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is were is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. crore)	Rating Assigned/ Outlook
Long term bank facilities	-	-	-	-	Withdrawn
Optionally Convertible Debenture	-	-	-	-	Withdrawn

**Annexure 2: List of companies considered for consolidated analysis: Not Applicable.**

**Annexure 3: Facility wise lender details: Not Applicable**

**Annexure 4: Detailed explanation of covenants of the rated facilities: Not Applicable**

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).