

GMR GOA INTERNATIONAL AIRPORT LIMITED

September 10, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term / Short-term bank facilities	10.00 (Reduced from 80.00)	CARE A-; Stable / CARE A2+	Downgraded from CARE A; Stable / CARE A1
Long-term / Short-term bank facilities	270.00 (Enhanced from 200.00)	CARE A-; Stable / CARE A2+	LT rating downgraded from CARE A; Stable and ST rating assigned
Short-term bank facilities	20.00	CARE A2+	Downgraded from CARE A1
Market-linked debentures	25.00 (Reduced from 57.50)	CARE PP MLD A-; Stable	Downgraded from CARE PP-MLD A; Stable
Non-convertible debentures	1,600.00	CARE A-; Stable	Downgraded from CARE A; Stable
Non-convertible debentures	875.00	CARE A-; Stable	Downgraded from CARE A; Stable
Non-convertible debentures	-	-	Withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has downgraded ratings for non-convertible debentures, market-linked debentures, and bank facilities of GMR Goa International Airport Limited (GGIAL). The downgrade reflects significant under achievement in air passenger traffic, leading to lower revenue as well as profit before interest, lease rentals, depreciation, and taxation (PBILDT) and high leverage in FY25 (FY refers to April 01 to March 31). Intense competition from overseas tourist destinations and relatively lower tariffs at the competing Naval airport at Dabolim are prominent reasons for under achievement in passenger traffic. Considering the moderate passenger growth outlook, leverage is expected to remain above the threshold of 7.5x in FY26. Further, CARE Ratings has withdrawn the ratings assigned to non-convertible debentures basis the full repayment and receipt of no dues certificate.

CareEdge Ratings notes that cash flows are supported by inflows from monetised real estate land parcels and achievement of envisaged non-aero revenue. To improve traffic at GGIAL, the company has requested the Airports Economic Regulatory Authority (AERA) to lower and align its landing and parking charges with Dabolim Airport in the non- notice to airmen (NOTAM) period (hours when both airports are operational). In the NOTAM period, when only GGIAL is operational, the existing AERA-approved charges will continue. Per management articulation, aligning landing charges across both airports is expected to encourage more airlines to shift to Mopa Airport, improving GGIAL's share of Goa system traffic. This measure is expected to increase passenger traffic in FY26.

GGIAL has also implemented cost-control measures to partially offset the impact of lower-than-expected aero revenue growth. The company maintains adequate liquidity, supported by unutilised working capital limits, to bridge the cash deficit, if any in near to medium term. Improvement in operating performance and leverage metrics within defined thresholds will remain critical. Sustained improvement in traffic and thereby achievement of estimated aero revenue remains a key rating sensitivity.

Ratings continue to derive strength from regulated returns under the hybrid-till tariff structure on aero assets, which provides for true-up/true-down of revenue to address variations in air passenger traffic at the time of the next tariff determination. However, GGIAL has limited capacity to absorb a large true-up due to the presence of an alternate airport. Ratings also reflect the extensive experience of GGIAL's parent, GMR Airports Limited (GAL; rated CARE A: Stable/CARE A1), in developing and operating airports in India and abroad. GAL's management has articulated its intent to support GGIAL in case of exigencies.

These rating strengths are continued to partially offset by the risk of passenger traffic fluctuations due to the presence of another operational airport in Goa and risks associated with achieving the projected real estate revenue. Presence of a put option at the end of five years remains a rating weakness, despite being partially mitigated by the long concession period and GMR Group's demonstrated track record in refinancing.

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

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Sustained improvement in air passenger traffic above seven million, leading to an improvement in leverage indicators.

Negative factors

- Significant decline in air passenger traffic below six million on a sustained basis.
- Lower-than-expected revenue including real estate deposits.
- Withdrawal of liquidity or lower-than-envisaged liquidity buffer.

Analytical approach: Standalone

Outlook: Stable

In the medium term, cash flows of GGIAL shall be supported by real estate revenues and ramp up in passenger traffic. Liquidity cushion available shall sufficiently absorb shortfall in FY26.

Detailed description of key rating drivers:

Key strengths

Regulated returns under the hybrid-till tariff structure

AERA regulates the tariff levied at the airport on air passengers and airline-related activities, with subsidisation of 30% of non-aero revenue under the favourable hybrid-till tariff structure. Regulated returns on aero assets, involving true-up/true-down of revenue, mitigate fluctuations in aero revenue, arising from variations in air passenger traffic. However, GGIAL has limited capacity to absorb a large true-up due to the presence of an alternate airport.

Adequate liquidity position supported by real estate monetisation, achievement of non-aero revenue and long concession period

GGIAL has adequate liquidity, supported by inflows from monetisation of real estate parcels. Of the 232 acres earmarked for real estate development, the company monetised 4.3 acres in FY24, 21.7 acres in FY25, and 34 acres in Q1FY26 (Q1 refers to April 01 to June 30). In total, ~60 acres have been monetised till Q1FY26, with staggered receipt of deposits expected in the next three years, supporting near-term cash flows. While further monetisation plans are exposed to inherent risks ~timely realisation, the demonstrated progress provides visibility for liquidity support. GGIAL reported non-aero revenue of ₹79 crore in FY25 which is largely in line with estimates despite significant under achievement in passenger traffic. State of art facilities of airport and higher spend per passenger augur well for the growth in non-aero revenue. The long concession period of 40 years enhances financial flexibility, allowing the company to manage the initial ramp-up phase and moderate passenger growth. These factors provide a cushion to meet operational requirements and debt servicing obligations in the medium term.

Experienced promoters with financial and operational support

GGIAL's parent, GAL has an extensive track record of operating and managing airports in India and abroad, demonstrated by successful operations of major airports in Delhi and Hyderabad. GMR Group holds a 33.8% stake in GAL, while Groupe ADP holds 32.3%. GMR Group and Groupe ADP are co-promoters of GAL. GMR Group was founded by GM Rao in 1978 and has demonstrated successful execution capabilities across diverse sectors. Groupe ADP owns and operates Paris' international airports – Paris-Charles de Gaulle, Paris-Orly, and Paris-Le Bourget – and manages 26 airports globally. GAL's management has articulated its intent to support GGIAL in case of exigencies which is key monitorable.

Key weaknesses

Significant under achievement in passenger traffic due to lower than estimated traffic in Goa and impact of twin airports

GGIAL is exposed to passenger traffic risk due to the presence of the existing operational airport at Dabolim, Goa, with a capacity of 13 million passengers per annum (MPPA). However, Dabolim airport faces multiple constraints, being a civil enclave-cum-navy base.

GGIAL commenced commercial operations for domestic routes on January 05, 2023. Despite competition from Dabolim, the airport witnessed a healthy initial ramp-up, with traffic increasing from 0.66 million in FY23 to 4.4 million in FY24. However, the growth momentum slowed, with traffic reaching only 4.6 million in FY25 (5.4% growth) and 1.59 million in 4MFY26 (8.1% growth) reflecting significant under achievement from initial estimates considered by AERA. Intense competition from overseas tourist destinations and relatively lower tariffs at the competing Naval airport at Dabolim are prominent reasons for under achievement

in passenger traffic. To address this, the company requested AERA to align its aero charges with Dabolim in non-NOTAM hours. This measure is expected to increase passenger traffic in FY26. Passenger share of GGIAL in overall tariff of Goa improved from 39% in FY25 to 44% in Q1FY26. Sustained improvement in traffic and thereby achievement of estimated aero revenue remains a key rating sensitivity

Leveraged profile however supported by the real estate monetisation

The company's financial profile remains leveraged, with elevated net debt to adjusted PBILDT of 13.8x in FY25. Considering the moderate growth outlook, leverage may remain above the 7.5x threshold in FY26. Revenue share payments commenced from Q4FY25 (Q4 refers to January 01 to March 31), and hence healthy ramp-up in air passenger traffic is critical for improving leverage and coverage indicators. Real estate monetisation proceeds in FY25 and Q1FY26 provide interim liquidity support.

Liquidity: Adequate

GGIAL's liquidity is supported by a debt service reserve account (DSRA) of ₹129 crore in the funded form, equivalent to six months of debt servicing requirements, and free cash and bank balances of ₹176 crore as on July 31, 2025. The company has unutilised working capital limit of ₹95 crore.

Assumptions/Covenants - Not applicable

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

Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Withdrawal Policy](#)

[Airport Companies](#)

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[Short Term Instruments](#)

[Market Linked Debentures](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Services	Services	Transport infrastructure	Airport & airport services

A 99.99% subsidiary of GAL, GGIAL is a special purpose vehicle (SPV) incorporated to establish the greenfield international airport at Mopa, North Goa (Mopa Airport) on a design, build, finance, operate and transfer (DBFOT) basis. The airport achieved commercial operations date (COD) on December 07, 2022, and started commercial operations on January 05, 2023. The airport has 40 years of concession period with an option for additional 20 years of concession.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	Q1FY26 (UA)
Total operating income	245	417	96
PBILDT	28	149	17
PAT	(363)	(270)	(92)
Overall gearing (times)	3.43	5.47	NA
Interest coverage (times)	NM	NM	NM

A: Audited UA: Unaudited; NM; Not meaningful; NA; Not available; 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
Debentures-Market Linked Debentures	INE735X07020	26-Nov-2022	NA	26-Nov-2024	0.00	Withdrawn
Debentures-Market Linked Debentures	INE735X07038	26-Nov-2022	NA	26-Jan-2026	25.00	CARE PP MLD A-; Stable
Debentures-Non Convertible Debentures	INE735X07046	25-Nov-2022	13.9%	25-Nov-2025	0.00	Withdrawn
Debentures-Non Convertible Debentures	INE735X08051	16-Nov-2023	10%	27-Sep-2043	875.00	CARE A-; Stable
Debentures-Non Convertible Debentures	INE735X08051	16-Nov-2023	10%	27-Sep-2043	1600.00	CARE A-; Stable
Fund-based - LT/ ST-Working Capital Demand loan	-	-	-	-	270.00	CARE A-; Stable / CARE A2+
Fund-based - ST-Working Capital Demand loan	-	-	-	-	20.00	CARE A2+
Non-fund-based - LT/ ST-Bank Guarantee	-	-	-	-	10.00	CARE A-; Stable / CARE A2+

NA: Not applicable

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	Debentures-Non Convertible Debentures	LT	-	-	-	1)CARE A; Stable	1)CARE A; Stable	1)CARE BBB+; Stable

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
						(11-Sep-24)	(12-Sep-23)	(09-Dec-22)
2	Debentures-Market Linked Debentures	LT	25.00	CARE PP MLD A-; Stable	-	1)CARE PP-MLD A; Stable (11-Sep-24)	1)CARE PP-MLD A; Stable (12-Sep-23)	1)CARE PP-MLD BBB+; Stable (09-Dec-22)
3	Debentures-Non Convertible Debentures	LT	1600.00	CARE A-; Stable	-	1)CARE A; Stable (11-Sep-24)	1)CARE A; Stable (12-Sep-23)	-
4	Fund-based - LT/ ST-Working Capital Demand loan	LT/ST	270.00	CARE A-; Stable / CARE A2+	-	1)CARE A; Stable (11-Sep-24)	1)CARE A; Stable (12-Sep-23)	-
5	Debentures-Non Convertible Debentures	LT	875.00	CARE A-; Stable	-	1)CARE A; Stable (11-Sep-24)	1)CARE A; Stable (12-Sep-23)	-
6	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	10.00	CARE A-; Stable / CARE A2+	-	1)CARE A; Stable / CARE A1 (11-Sep-24)	1)CARE A; Stable / CARE A1 (12-Sep-23)	-
7	Fund-based - ST-Working Capital Demand loan	ST	20.00	CARE A2+	-	1)CARE A1 (11-Sep-24)	-	-

LT: Long term; ST: Short term; LT/ST: Long term/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	Debentures-Market Linked Debentures	Highly Complex
2	Debentures-Non-Convertible Debentures	Complex
3	Debentures-Non-Convertible Debentures	Complex
4	Fund-based - LT/ ST-Working Capital Demand loan	Simple
5	Fund-based - ST-Working Capital Demand loan	Simple
6	Non-fund-based - LT/ 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.

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