

Gammon India Limited (Revised)

August 05, 2022

Ratings

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	949.05	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	9,092.78	CARE D / CARE D; ISSUER NOT COOPERATING* (Single D / Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	10,041.83 (₹ Ten Thousand Forty-One Crore and Eighty-Three Lakhs Only)		
Non-Convertible Debentures	324.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Long Term Instruments	324.00 (₹ Three Hundred Twenty-Four Crore Only)		

Details of instruments/facilities in Annexure-1.

Detailed rationale and key rating drivers

CARE had, vide its press release dated August 05, 2021, placed the rating(s) of Gammon India Limited (GIL) under 'issuer non-cooperating' category as GIL had failed to provide information for monitoring of the rating. GIL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls dated June 21, 2022, July 1, 2022, July 05, 2022, July 06, 2022, July 11, 2022 and July 25, 2022 among others. 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)

Detailed description of the key rating drivers

At the time of last rating on August 05, 2021 the following were the rating strengths and weaknesses (updated for the information available from Registrar of Companies)

Key Rating Weakness

Delays in Debt Servicing: There are delays in servicing of debt obligations owing to delayed execution of projects, delays in recoveries from customers and huge debt burden leading to constrained liquidity position of the company.

Analytical approach: Standalone

Applicable criteria

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

[Policy on default recognition](#)

[Financial Ratios – Non financial Sector](#)

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

[Rating Outlook and Credit Watch](#)

[Short Term Instruments](#)

[Construction](#)

[Rating Methodology: Notching by Factoring Linkages in Ratings](#)

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

About the company

Incorporated in 1922, GIL is the flagship company of the Gammon group and offers services covering the whole gamut of the civil and construction activities. GIL undertakes construction of roads, bridges, flyovers, power plants, chimneys and cooling towers, cross-country pipelines, structures for hydro-electric power projects, buildings and factories. The company has also been present in the infrastructure project development space since 2001 through GIL's subsidiary Gammon Infrastructure Projects Limited (GIPL, 74.98% stake), which executes public private partnership based projects in the road, port and power sectors through project-specific special purpose vehicles.

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	Q1FY23(UA)
Total operating income	52.84	52.93	NA
PBILDT	-35.32	-228.28	NA
PAT	-716.85	-1,085.75	NA
Overall gearing (times)	-1.00	0.00	NA
Interest coverage (times)	-0.06	-0.32	NA

A: Audited UA: Unaudited NA: Not Available

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based-Long Term**		-	-	-	949.05	CARE D; ISSUER NOT COOPERATING*
Non-fund-based-LT/ST		-	-	-	9092.78	CARE D / CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE259B07100	April 15, 2015	9.50%	October 15, 2022	324.00	CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information ** Cash Credit

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/ Bank Facilities	ISIN	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	Debentures-Non Convertible Debentures	INE259B07100	LT	324.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (05-Aug-21)	1)CARE D; ISSUER NOT COOPERATING* (23-Jul-20)	1)CARE D; ISSUER NOT COOPERATING* (10-Jul-19)
2	Fund-based-Long Term		LT	949.05	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (05-Aug-21)	1)CARE D; ISSUER NOT COOPERATING* (23-Jul-20)	1)CARE D; ISSUER NOT COOPERATING* (10-Jul-19)
3	Non-fund-based-LT/ST		LT/ST*	9092.78	CARE D / CARE D; ISSUER NOT COOPERATING*	-	1)CARE D / CARE D; ISSUER NOT COOPERATING* (05-Aug-21)	1)CARE D / CARE D; ISSUER NOT COOPERATING* (23-Jul-20)	1)CARE D / CARE D; ISSUER NOT COOPERATING* (10-Jul-19)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of various instruments rated for this company**

Sr. No.	Name of Instrument	Complexity Level
1	Debentures-Non Convertible Debentures	Simple
2	Fund-based-Long Term	Simple
3	Non-fund-based-LT/ST	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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