

## Gandhi Road Builders

July 11, 2022

### Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	2.50	CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable; (Single B; Outlook: Stable)
Short Term Bank Facilities	7.50	CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Facilities</b>	<b>10.00</b> (Rs. Ten Crore Only)		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated May 10, 2021, placed the rating(s) of Gandhi Road Builders (GRB) under the 'issuer non-cooperating' category as GRB had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. GRB continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 26, 2022, April 05, 2022, April 15, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'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).**

The ratings assigned to the bank facilities of GRB have been revised on account of non-availability of requisite information.

### Detailed description of the key rating drivers

Please refer to PR dated [May 10, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

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

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the Firm

Navsari-based (Gujarat), GRB was established by three partners, Mr Piyush Gandhi, Mr Sanjay Gandhi and Mrs Hasumati Gandhi in 1997. The firm is engaged in road construction business. GRB secures its major portion of tenders through open bidding Government of Gujarat (GoG). The firm is registered as Class AA player (out of scale of Class AA to E) with Road and Building Department (R&B) of GoG. The firm has its own fleet of machinery and equipment for execution of construction work. Major required raw materials for road construction are bitumen, cement and black trap which are easily available from nearby area of Navsari. The firm generates its major revenue through road projects undertaken within area of south Gujarat. Mr Piyush Gandhi and Mr Sanjay Gandhi are also associated with another partnership firm, 'Gandhi Stone Industries' which is engaged in stone extracting business.

Brief Financials (Rs. crore)	FY20(Prov.)	FY21(A)	FY22 (Prov.)	Q1FY23 (Prov.)
Total operating income	24.65	NA	NA	NA
PBILD	1.58	NA	NA	NA
PAT	1.76	NA	NA	NA
Overall gearing (times)	0.06	NA	NA	NA
Interest coverage (times)	0.00	NA	NA	NA

A: Audited; Prov.: Provisional; NA: Not Available

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

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

**Status of non-cooperation with previous CRA:** CRISIL has continued the ratings assigned to the bank facilities of GRB to 'Issuer Not Cooperating' category vide press release dated August 19, 2021 on account of its inability to carry out a review in the absence of the requisite information from the firm.

Brickwork has moved the ratings assigned to the bank facilities of GRB to 'Issuer Not Cooperating' category vide press release dated January 12, 2022 on account of its inability to carry out a review in the absence of the requisite information from the firm.

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Annexure-3

**Complexity level of various instruments rated for this firm:** Annexure-4

#### Annexure-1: Details of Instruments/Facilities

Name of the Instrument	IS IN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Non-fund-based - ST-Bank Guarantee		-	-	-	7.50	CARE A4; ISSUER NOT COOPERATING*
Fund-based - LT-Bank Overdraft		-	-	-	2.50	CARE B-; Stable; ISSUER NOT COOPERATING*

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

#### Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument / Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. 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	Non-fund-based - ST-Bank Guarantee	ST	7.50	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (10-May-21)	1)CARE A4; ISSUER NOT COOPERATING* (10-Apr-20)	-
2	Fund-based - LT-Bank Overdraft	LT	2.50	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (10-May-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (10-Apr-20)	-

\*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 firm

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Bank Overdraft	Simple
2	Non-fund-based - ST-Bank Guarantee	Simple

#### Annexure 5: Bank Lender Details for this Firm

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

**Note on complexity levels of the rated instrument:** CARE Ratings Ltd. 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 CARE Ratings Limited:

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