

Gammon India Limited (Revised)

July 24, 2023

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	949.05	CARE 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*	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	10,041.83		
Non Convertible Debentures	324.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Total Long term Instruments	324.00		

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE had, vide its press release dated August 05, 2022, placed the rating(s) of Gammon India Limited (GIL) under 'issuer noncooperating' 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 May 24, 2023, May 22, 2023, May 19, 2023, May 18, 2023, and May 16, 2023, 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)

Analytical approach: Standalone

Detailed description of the key rating drivers:

At the time of last rating on August 05, 2022, the following were the rating strengths and weaknesses (updated for the information available from Registrar of Companies)

Key weaknesses

Delay 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.

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](#)

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

About the company and industry

Industry classification

Macro-Economic Indicator	Sector	Industry	Basic Industry
Industrials	Construction	Construction	Civil Construction

Established in 1922, GIL serves as the flagship entity of the Gammon group and provides a comprehensive range of civil and construction services. Their expertise encompasses the construction of various projects such as roads, bridges, flyovers, power plants, chimneys, cooling towers, cross-country pipelines, hydro-electric power structures, buildings, and factories. Additionally, GIL has been involved in infrastructure project development since 2001, facilitated by its subsidiary, Gammon Infrastructure Projects Limited (GIPL), which holds a significant 74.98% stake. GIPL focuses on executing public-private partnership projects in the road, port, and power sectors through dedicated special purpose vehicles.

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	9MFY23 (UA)
Total operating income	52.84	52.93	49.76
PBILDT	-35.32	-228.28	-285.47
PAT	-716.85	-1,085.75	-893.03
Overall gearing (times)	-1.00	0.00	NA
Interest coverage (times)	-0.06	-0.32	NA

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various 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 along with Rating Outlook
Fund-based-Long Term		-	-	-	949.05	CARE D; ISSUER NOT COOPERATING*
NCD	INE259B07100	18-Jun-2010	9.50%	18-Jun-2020	324.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based-LT/ST		-	-	-	9092.78	CARE D / CARE D; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for the 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 2023-2024	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
1	Debentures-Non Convertible Debentures	LT	324.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (05-Aug-22)	1)CARE D; ISSUER NOT COOPERATING* (05-Aug-21)	1)CARE D; ISSUER NOT COOPERATING* (23-Jul-20)
2	Fund-based-Long Term	LT	949.05	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (05-Aug-22)	1)CARE D; ISSUER NOT COOPERATING* (05-Aug-21)	1)CARE D; ISSUER NOT COOPERATING* (23-Jul-20)
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-22)	1)CARE D / CARE D; ISSUER NOT COOPERATING* (05-Aug-21)	1)CARE D / CARE D; ISSUER NOT COOPERATING* (23-Jul-20)

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

*Long term/Short term.

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities; Not Applicable

Annexure-4: Complexity level of the various instruments rated

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

Annexure-5: Lender details

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

Note on the 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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