

March 04, 2020

Gawar Construction Limited: Rating Withdrawn

Summary of rated instruments:

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Commercial Paper	50.00	50.00	[ICRA]A1+; Rating withdrawn
Total	50.00	50.00	

*Instrument details are provided in Annexure-1

Rationale:

The rating is withdrawn in accordance with ICRA's policy on withdrawal and suspension of credit rating and at the request of the company as the rated commercial paper has not been placed and there is no amount outstanding against it.

Outlook: N.A.

Key rating drivers:

N.A.

Liquidity Position:

N.A.

Rating sensitivities:

N.A.

Analytical approach:

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA Policy on Withdrawal and Suspension of Credit Rating Corporate Credit Rating Methodology Construction Entities
Parent/Group Support	Not Applicable
Consolidation / Standalone	Not Applicable

About the company:

Started initially as a partnership concern in 1997, Gawar Construction Ltd (GCL) was incorporated in 2008 as a limited company. It is promoted by Mr. Rajender Singh, Mr. Rakesh Kumar, and Mr. Ravinder Kumar. Based in Hisar (Haryana), GCL is involved in construction of civil infrastructure including roads, bridges and Government buildings etc. Construction of roads and bridges has been the key focus area of the company. It has been focused on North India and has undertaken projects in multiple states including Haryana, Rajasthan, Uttar Pradesh, Madhya Pradesh, Maharashtra, Uttarakhand, Chhattisgarh, etc.

Key financial indicators (audited)

	FY2018	FY2019
Operating Income (Rs. crore)	2489.07	3819.40
PAT (Rs. crore)	260.80	400.78
OPBDIT/OI (%)	11.18%	12.54%
RoCE (%)	48.22%	50.35%
Total Outside Liabilities/Tangible Net Worth (times)	1.17	0.88
Total Debt/OPBDIT (times)	0.43	0.30
Interest Coverage (times)	16.52	26.30
DSCR	9.65	8.00

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

Current Rating (FY2020)					Chronology of Rating History for the past 3 years			
Instrument	Type	Amount Rated (Rs crore)	Amount Outstanding (Rs crore)	Date & Rating in FY2020	Date & Rating in FY2019	Date & Rating in FY2018	Date & Rating in FY2017	
1	Commercial Paper	Short Term	50.00	0.00*	4-Mar-2020	22-Feb-2019	27-Feb-2018	-
*not yet placed					Rating withdrawn	[ICRA]A1+	[ICRA]A1+	-

*not yet placed

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
Not yet placed	Commercial Paper	-	-	-	50.00	[ICRA]A1+; rating withdrawn

Source: GCL

Annexure-2: List of entities considered for consolidated analysis

Not Applicable

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