

Press Release

GM Modular Private Limited

January 14, 2020



Rating Update

Total Bank Facilities Rated	Rs. 160.00 Cr. #
Long Term Rating	ACUITE BB+ Issuer not co-operating* (Downgraded from ACUITE BBB+)
Short Term Rating	ACUITE A4+ Issuer not co-operating* (Downgraded from ACUITE A2)

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Acuité has downgraded the long-term rating of G M Modular Private Limited (GMPL) to '**ACUITE BB+** (read as ACUITE double B plus) from '**ACUITE BBB+** (read as ACUITE triple B plus) and short-term rating to '**ACUITE A4+** (read as ACUITE A four plus) from '**ACUITE A2**' (read as ACUITE A two) on the Rs. 160.00 crore bank facilities. This rating is now an indicative rating and is downgraded on account of information risk.

G.M. Modular Private Limited (GMPL) was incorporated in 1999 by Mr. Jayanth Jain and Mr. Ramesh Jain in June, 1999. The day to day operations are managed by Mr. Jayanth Jain (Director) and Mr. Abhinav Jain (CFO). GMPL owns 4 factories and 2 warehouses in Vasai, (Dist. Palghar) and is engaged in manufacturing of electric products such as switches, sockets, cover plates, plug tops and travel adaptors. The company also trades in LED lights. GMPL has an established brand 'GM', apart from seven to eight sub-brands including G-Magic and Four-Five.

Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

Applicable Criteria

- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
15-July-2019	Cash Credit	Long Term	35.00*^	ACUITE BBB+ Issuer not co-operating*
	Overdraft	Long Term	25.00#	ACUITE BBB+ Issuer not co-operating*
	Cash Credit	Long Term	35.00@	ACUITE BBB+ Issuer not co-operating*
	Term Loan	Long Term	2.90	ACUITE BBB+ Issuer not co-operating*
	Proposed Bank facility	Long Term	49.10	ACUITE BBB+ Issuer not co-operating*
	Letter of Credit	Short Term	13.00	ACUITE A2 Issuer not co-operating*
04-May-2018	Cash Credit	Long Term	35.00*^ (enhanced from Rs.12.42 Cr.)	ACUITE BBB+/ Stable (Upgraded from ACUITE BBB/Stable)
	Overdraft	Long Term	25.00#	ACUITE BBB+/ Stable (Assigned)
	Cash Credit	Long Term	35.00@	ACUITE BBB+/ Stable (Assigned)
	Term Loan	Long Term	2.90	ACUITE BBB+/ Stable (Assigned)
	Proposed Bank facility	Long Term	49.10	ACUITE BBB+/ Stable (Assigned)
	Letter of Credit	Short Term	13.00	ACUITE A2 (Assigned)
	Cash Credit	Long Term	6.42	ACUITE BBB/ Stable (Withdrawn)
	Term Loan	Long Term	2.58	ACUITE BBB/ Stable (Withdrawn)
09-Feb-2017	Cash Credit	Long Term	12.42^^	ACUITE BBB/ Stable (Upgraded from ACUITE BBB-/Stable)
	Term Loan	Long Term	2.58	ACUITE BBB/ Stable (Upgraded from ACUITE BBB-/Stable)
21-Sep-2015	Cash Credit	Long Term	11.50	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	3.50	ACUITE BBB-/ Stable (Assigned)

*^contains sublimit for

OD/CC of Rs.25.20 crore, working capital loan of Rs.25.20 crore

Letter of Credit of Rs.15.00 crore and Buyer's Credit of Rs.15.00 crore

#contains sublimit of WCDL, LC and BC of Rs.20.00 crore, Rs. 10.00 crore and Rs.10.00 crore respectively

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^^Overdraft and Cash credit of Rs. 18.00 crore is the sub-limit of Cash Credit.

^^Rs.10.00 Crore of Letter of Credit(LC) and Buyers Credit (BCU)is sub limit of Cash Credit

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs.Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	35.00*^	ACUITE BB+ Issuer not co-operating* (Downgraded from ACUITE BBB+)
Overdraft	Not Applicable	Not Applicable	Not Applicable	25.00#	ACUITE BB+ Issuer not co-operating* (Downgraded from ACUITE BBB+)
Cash Credit	Not Applicable	Not Applicable	Not Applicable	35.00@	ACUITE BB+ Issuer not co-operating* (Downgraded from ACUITE BBB+)
Term Loan	Not Applicable	Not Applicable	Not Applicable	2.90	ACUITE BB+ Issuer not co-operating* (Downgraded from ACUITE BBB+)
Proposed Bank facility	Not Applicable	Not Applicable	Not Applicable	49.10	ACUITE BB+ Issuer not co-operating* (Downgraded from ACUITE BBB+)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	13.00	ACUITE A4+ Issuer not co-operating* (Downgraded from ACUITE A2)

*The issuer did not co-operate; Based on best available information.

*^contains a sublimit for

OD/CC of Rs.25.20 crore, working capital loan of Rs.25.20 crore

Letter of Credit of Rs.15.00 crore and Buyer's Credit of Rs.15.00 crores

#contains sublimit of WCDL, LC and BC of Rs.20.00 crore, Rs.10.00 crore and Rs.10.00 crore respectively

@Contains Sublimit of WCDL LC and BC of Rs.35.00 crore, Rs.10.00 crore and Rs.10.00 crore respectively

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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