



Press Release
GALAXY ALUMINIUM LLP
October 06, 2023

Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	6.10	ACUITE BB+ Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	7.00	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	13.10	-	-

Rating Rationale

Acuite has reaffirmed its long term rating of '**ACUITE BB+**' (read as **ACUITE Double B Plus**) and short term rating of '**ACUITE A4+**' (read as **ACUITE A Four Plus**) on the Rs.13.10 crore bank facilities of Galaxy Aluminium LLP (GAL). This rating is now an indicative rating and is based on best available information.

About the Company

Galaxy Aluminum LLP is a Sangli-Maharashtra based firm, established in the year 2011. The firm is promoted by Mr. Subhash Vrajilal Vhora, Mr. Sameer Subhash Vhora and other family members. The firm is engaged as a rolling mill and has a capacity of manufacturing 20,000 MTPA of aluminum and aluminum alloys rods. The product manufactured by the firm is used as a backward integration for manufacturing aluminum conductors under the company-Galaxy Transmission Private Limited. The firm meets most of the aluminum alloy rod requirement of GTPL.

About the Group

Galaxy Group is a Maharashtra based group founded in the year 1995. The group is promoted by the Vhora family led by Mr. Subhash Vrajilal Vhora and Mr. Sameer Subhash Vhora. The group comprises of two companies, namely Galaxy Aluminium LLP (GAL) and Galaxy Transmission Private Limited (GTPL). GTPL (erstwhile Galaxy cables) was established in the year 1995 and later in the year 2006, the constitution was changed to a private limited company. The group is engaged in manufacturing aluminum and aluminum alloy rods and conductors. GAL is engaged in manufacturing aluminum and aluminum alloy rods whereas GTPL is engaged in manufacturing aluminum conductors that finds its use in power transmission and distribution industry. The manufacturing units are located at Sangli and Nagpur unit. The total manufacturing capacity is ~65,000 MTPA for conductors with ~65 per cent utilization. The group supplies products to Scottish chemical Industries, Zoya Enterprises and many other Private Utilities. GAL meets most of the aluminum alloy rod requirement of GTPL with manufacturing capacity of 20,000 MTPA for aluminum and aluminum alloy rods.

Non-cooperation by the issuer/borrower

Acuite has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 03 consecutive months. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI

regulations and Acuité's policies.

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 endeavored 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.

Rating Sensitivities

No information provided by the issuer / available for Acuite to comment upon.

All Covenants

Not Available

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook

Not Applicable

Key Financials:

No information provided by the issuer / available for Acuite to comment upon.

Status of non-cooperation with previous CRA

Not Available

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
19 Sep 2022	Cash Credit	Long Term	4.50	ACUITE BB+ Stable (Reaffirmed)
	Letter of Credit	Short Term	7.00	ACUITE A4+ (Reaffirmed)
	Proposed Bank Facility	Long Term	1.60	ACUITE BB+ Stable (Reaffirmed)
02 Jun 2022	Proposed Bank Facility	Long Term	1.60	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	1.50	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	10.00	ACUITE A4+ (Downgraded and Issuer not co-operating*)
09 Mar 2021	Letter of Credit	Short Term	10.00	ACUITE A3 (Reaffirmed)
	Proposed Bank Facility	Long Term	1.60	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	1.50	ACUITE BBB- Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Indian Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	4.50	ACUITE BB+ Reaffirmed Issuer not co-operating*
Indian Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	7.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	Simple	1.60	ACUITE BB+ Reaffirmed Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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