



Press Release
GALAXY ALUMINIUM LLP
August 18, 2025
Rating Assigned and Upgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	8.90	ACUITE BBB Stable Assigned	-
Bank Loan Ratings	6.10	ACUITE BBB Stable Upgraded	-
Bank Loan Ratings	13.00	-	ACUITE A3+ Assigned
Bank Loan Ratings	7.00	-	ACUITE A3+ Upgraded
Total Outstanding Quantum (Rs. Cr)	35.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has upgraded the long-term rating to ‘**ACUITE BBB**’ (read as **ACUITE Triple B**) from ‘**ACUITE BB**’ (read as **ACUITE Double B**) and the short-term rating to ‘**ACUITE A3+**’ (read as **ACUITE A Three Plus**) from ‘**ACUITE A4+**’ (read as **ACUITE A four plus**) on the Rs.13.10 Cr. bank facilities of Galaxy Aluminium LLP (GALLP). The outlook is ‘**Stable**’.

Acuite has assigned its long-term rating of ‘**ACUITE BBB**’ (read as **ACUITE triple Ba**) and short-term rating of ‘**ACUITE A3+**’ (read as **ACUITE A Three Plus**) on the Rs.21.90 Cr. bank facilities of Galaxy Aluminium LLP (GALLP). The outlook is ‘**Stable**’.

Rationale for Rating

The rating takes into consideration the established track record of operations of the group along with long-standing experience of the promoters in the aluminium industry, growing scale of operations and profitability in FY2025. Further, the rating takes into account the moderately intensive working capital management, moderate financial risk profile and adequate liquidity. However, the rating remains constrained on account of moderate capital structure, risk associated with timely completion of the planned capex, susceptibility in profitability due to volatile raw material prices and highly fragmented and competitive nature of the industry.

About the Company

Galaxy Aluminium LLP is a Sangli, Maharashtra based limited liability partnership firm. The firm was established in the year 2011 and is promoted by Mr.Subhash Vrajlal Vhora and Mr.Sameer Subhash Vhora, along with their family members. The firm is engaged in manufacturing aluminium and aluminium alloy rods. The rod manufactured by the firm is used as a backward integration for manufacturing aluminium conductors under its group company- Galaxy Transmission Private Limited (GTPL). GALLP meets most of the aluminium alloy rod requirement for 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 Vrajlal 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 aluminium and aluminium alloy rods and conductors. GALLP is engaged in manufacturing aluminium and aluminium alloy rods whereas GTPL is engaged in manufacturing aluminium 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 ~60,000 MTPA for conductors. The group supplies products to Power Grid Corporation of India Limited, State Electricity Boards and other Private Utilities. GALLP meets most of the aluminium alloy rod requirement of GTPL.

Unsupported Rating

Not Applicable

Analytical Approach

Extent of Consolidation

• Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuité has considered the consolidated business and financial risk profiles of Galaxy Aluminium LLP and Galaxy Transmission Private Limited, together referred to as 'Galaxy Group (GG)' to arrive at the rating. The consolidation is in view of the common promoters, significant operational and financial synergies within the group.

Key Rating Drivers

Strengths

Established track record of operations and experienced management

Galaxy Group was started in the year 1995. The group has an established track record of more than two decade in the aluminium products industry. The group is promoted by Vhora family led by Mr.Subhash Vrajlal Vhora and Mr. Sameer Subhash Vhora. The promoters have an experience of more than two decades in the aforementioned industry. The extensive experience of the promoters and established track record of operation has helped the group to maintain healthy relationship with its customers and suppliers. Acuité expects that the group will continue to benefit from its experienced management and established track record of operation.

Improving scale of operations:

The revenue of the group has increased to Rs. 295.36 Cr. as on March 31, 2025 (Prov.) as compared to Rs. 233.28 Cr. in the previous year. This growth was primarily driven by an increase in demand for aluminium conductors. The operating profit margin of the group stood at 8.23 percent in FY2025 (Prov) as against 8.73 percent in FY2024. The marginal decline in operating profit margin is on account of volatility in raw material prices. Further, the PAT margin stood at 3.69 percent in FY2025(Prov) against 3.84 percent in FY2024. During Q1FY26, Galaxy Aluminium LLP (GALLP) recorded a revenue of Rs.73.00 Cr, while Galaxy Transmission Private Limited (GTPL) achieved Rs.140 Cr.

Acuite believes that the operating performance of the group would improve in near to medium term, supported by further planning of capacity expansion in existing installed plant.

Moderate Financial Risk Profile:

The financial risk profile of the group is marked by moderate net worth, debt protection metrics & low gearing. The tangible net worth of the group stood at Rs. 61.93 Cr. as on March 31st, 2025 (Prov) against Rs. 51.75 Cr. as on March 31st, 2024, owing to accretion of profit into reserves and capital infusion. The gearing level of group improved and stood at 0.72 times as on March 31, 2025 (Prov) as compared to 1.07 times as on March 31, 2024. The Total Outside Liabilities/Tangible Net Worth (TOL/TNW) stood at 1.25 times as on March 31, 2025 (Prov) as against 1.44 times as on March 31,2024. The debt protection metrics of the group remain moderate marked by Interest Coverage ratio of 3.67 times in FY2025 (Prov) and debt service coverage ratio (DSCR) of 2.27 times for March 31, 2025 (Prov). The net cash accruals to total debt (NCA/TD) stood at 0.31 times as on March 31, 2025 (Prov) as compared to 0.20 times as on March 31, 2024.

Acuité believes that the group's ability to maintain its healthy financial risk profile will remain a key monitorable over the medium term.

Weaknesses

Moderately Intensive Working capital management:

The working capital management of the group is intensive in nature marked by Gross Current Assets (GCA) of 114

days as on March 31,2025(Prov.) as compared to 118 days as on March 31,2024. The high GCA days is on account of high inventory and debtor days. The debtor days stood at 41 days in FY2025 (Prov) as against 15 days in FY2021. The average credit period allowed to customers is 40-45 days. The inventory days stood at 75 days in FY2025 (Prov.) as compared to 70 days in FY2024. The debtor days stood at 41 days in FY2025 (Prov.) as against 15 days in FY2024. Further, the creditor days stood at 19 days in FY2025 (Prov.) as compared to 15 days in FY2024. Intensive working capital operations have led to high dependency on its fund based working capital limits. The average utilization of working capital limits remained high with average utilisation of fund-based limits at ~ 72.35 % over the last six months ending Jun 2025, and non-fund-based limit utilisation at ~98.03 % during the same period.

Acuite expects the working capital management to remain moderately intensive over the medium term on account of high debtor collection and inventory holding period.

Highly competitive and fragmented industry

The company works in a highly competitive and fragmented segment of the Indian aluminium market, which is characterised by the existence of numerous small, unorganised players. As a result, the industry's players have little pricing power and are subject to pressure from the competition to increase their profitability. Aside from this, its products, are exposed to the risks linked to industry cyclicality and pricing volatility. The susceptibility of the margins to changes in the raw materials price is inherent in this industry.

Rating Sensitivities

- Continued growth in scale of operations while improvement in profitability margins
- Significant elongation of working capital cycle impacting the financial and liquidity profiles

Liquidity Position Adequate

The group's liquidity position is adequate marked by sufficient net cash accruals of Rs. 13.76 Cr. in FY2025 (Prov) against maturing debt repayment obligation of Rs.2.23 Cr. for the same period. Going forward, the group is expected to generate net cash accruals in the range of Rs. 18-23 Cr. against annual debt repayment obligations in the range of Rs. 1-2 Cr. The bank limit utilisation stood high marked by fund-based limit utilisation of 72.35 percent for the last six months ended Jun 2025 and non-fund-based limit utilisation of 98.03 percent for the last six months ended Jun 2025. The current ratio stood at 1.41 times as on March 31, 2025 (Prov). Further, the cash and bank balances of the group stood at Rs. 0.08 Cr. as on March 31, 2025 (Prov).

Acuite believes that going forward the group will maintain adequate liquidity position owing to steady accruals.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	295.36	233.28
PAT	Rs. Cr.	10.91	8.97
PAT Margin	(%)	3.69	3.84
Total Debt/Tangible Net Worth	Times	0.72	1.07
PBDIT/Interest	Times	3.67	3.45

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

Not Applicable

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. Acuité'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
03 Jan 2025	Letter of Credit	Short Term	7.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	4.50	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Proposed Long Term Loan	Long Term	1.60	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+)
06 Oct 2023	Letter of Credit	Short Term	7.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	4.50	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	1.60	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
19 Sep 2022	Letter of Credit	Short Term	7.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	4.50	ACUITE BB+ Stable (Reaffirmed)
	Proposed Long Term Loan	Long Term	1.60	ACUITE BB+ Stable (Reaffirmed)
02 Jun 2022	Letter of Credit	Short Term	10.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3)
	Cash Credit	Long Term	1.50	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Proposed Long Term Loan	Long Term	1.60	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Indian Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE BBB Stable Upgraded (from ACUITE BB)
Indian Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	7.00	Simple	ACUITE A3+ Upgraded (from ACUITE A4+)
Indian Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	13.00	Simple	ACUITE A3+ Assigned
Not Applicable	Not avl. / Not appl.	Proposed Long Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.10	Simple	ACUITE BBB Stable Upgraded (from ACUITE BB)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	8.90	Simple	ACUITE BBB Stable Assigned

*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr. No.	Name of Entity
1	Galaxy Aluminium LLP
2	Galaxy Transmission Private Limited

Contacts

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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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