

Press Release

Galva Decoparts Private Limited (GDPL)

19 February, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 100.00 Cr. #
Long Term Rating	SMERA BB Issuer not co-operating*
Short Term Rating	SMERA A4+ Issuer not co-operating*

Refer Annexure for details

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

SMERA has reviewed the long-term rating of '**SMERA BB**' (read as SMERA double B) and short-term rating of '**SMERA A4+**' (read as SMERA A four plus) on the Rs. 100.00 crore bank facilities of Galva Decoparts Private Limited. This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower

SMERA 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.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Default Recognition - <https://www.smerra.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.smerra.in/criteria-fin-ratios.htm>
- Manufacturing Entities - <https://www.smerra.in/criteria-manufacturing.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). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity

GDPL, established in 2007 is engaged in the manufacturing and electroplating of ABS plastic components used for decorative purposes in the automobile and FMCG industries. The company also undertakes metalising of FMCG caps for its sister concern M/s Shree Hardik Plating Technology on job work basis. The company earns around 85 per cent revenue from sale of automotive parts and 15 per cent from FMCG sales. The electroplating unit, in a joint venture with RE, Malaysia, is located at Vapi while the injection moulding unit is at Pune.

About the Rated Entity - Key Financial

	Unit	FY16 (Actual)	FY15 (Actual)	FY14 (Actual)
Operating Income	Rs. Cr.	67.02	46.30	30.26
EBITDA	Rs. Cr.	13.03	9.83	5.26
PAT	Rs. Cr.	3.60	0.95	(1.40)
EBITDA Margin (%)	(%)	19.44	21.23	17.39
PAT Margin (%)	(%)	5.38	2.05	(4.62)
ROCE (%)	(%)	20.31	13.33	14.46
Total Debt/Tangible Net Worth	Times	1.26	1.54	1.74
PBDIT/Interest	Times	2.71	2.17	1.31
Total Debt/PBDIT	Times	2.02	2.55	4.94
Gross Current Assets (Days)	Days	175	185	205

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
5 th Jan 2017	Cash Credit	Long Term	19.00	SMERA BB/Stable (Assigned)
	Term Loan	Long Term	4.70	SMERA BB/Stable (Assigned)
	Letter of Credit/Buyers Credit	Short Term	3.50	SMERA A4+ (Assigned)
	Bank Guarantee	Short Term	0.70	SMERA A4+ (Assigned)
	Proposed Term Loan	Long Term	67.00	SMERA BB/Stable (Assigned)
	Proposed Cash Credit	Long Term	5.10	SMERA BB/Stable (Assigned)

#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	19.00	SMERA BB Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	4.70	SMERA BB Issuer not co-operating*
Letter of Credit/Buyers Credit	Not Applicable	Not Applicable	Not Applicable	3.50	SMERA A4+ Issuer not co-operating*

Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.70	SMERA A4+ Issuer not co-operating*
Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	67.00	SMERA BB Issuer not co-operating*
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.10	SMERA BB Issuer not co-operating*

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

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ABOUT SMERA

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