Press Release

Select Galva India Private Limited (SGIPL)

June 02, 2018

Rating Update

Total Bank Facilities Rated*	Rs. 42.00 Cr.
Long Term Rating	ACUITE C Issuer not co-operating*

* Refer Annexure for details

Rating Rationale

Acuité has reviewed long-term rating of **'ACUITE B+' (read as ACUITE B plus)** and downgraded rating to **'ACUITE C' (read as ACUITE C)** on the Rs.42.00 crore bank facilities of Select Galva India Private Limited (SGIPL).This rating is now an indicative rating and is based on best available information. The downgrade is on account of payment delays by the company.

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.

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.

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

About the rated entity: SGIPL was promoted by Mr. Azam Khan in 2006. The company is an authorised dealer of TATA Steel Ltd (TSL) for galvanised corrugated and colour- coated sheets as also roofing sheets in Tamil Nadu. The dayto-day operations are managed by Mr. Azam Khan and Mr. Mohammed Salaieh A.

On consolidated basis, the Select Galva Group reported net profit after tax (PAT) of Rs.0.75 cr on operating income of Rs.127.92 cr in FY2015-16 compared to PAT of Rs. 0.23 cr on operating income of Rs.173.27 cr in the previous year. The net worth stood at Rs.19.39 cr as on March 31, 2016 compared to Rs.19.97 cr a year earlier.

Applicable Criteria

- Default Recognition-https://www.acuite.in/view-rating-criteria-17.htm
- Financial Ratios and Adjustments-https://www.acuite.in/view-rating-criteria-20.htm

Rating History (Upto last three years)

Date	Facilities	Amount (Rs. Crore)	Ratings		Rating Outlook
			Long Term	Short Term	

27 June, 2017	Cash Credit	25.00	ACUITE B+ (Assigned)	-	Stable
	Cash Credit	17.00	ACUITE B+ (Assigned)	-	Stable

Annexures – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/ Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE C Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	17.00	ACUITE C Issuer not co-operating*

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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.