

Press Release

GTS Alloys Private Limited

March 11, 2019

Rating Update



| | |
|-------------------------------------|--|
| Total Bank Facilities Rated* | Rs. 8.00 Cr. # |
| Long Term Rating | ACUITE BB- Issuer not co-operating* |

Refer Annexure for details

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

Acuite has reviewed long-term rating of '**ACUITE BB-**' (read as **ACUITE double B minus**) on the Rs. 8.00 crore bank facilities of GTS Alloys Private Limited (GAPL). This rating is now an indicative rating and is based on best available information.

The Bangalore-based, GAPL was incorporated in 1999 by Mr. Arunachalam Ganeshan and Mrs. Ganeshan Rathnavalli (Directors). The company manufactures aluminium ingots and caters mainly to the automobile industry. The installed capacity stands at 2500MT per annum.

Non-cooperation by the issuer/borrower

Acuite 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 Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.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). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

| | Unit | FY17 (Actual) | FY16 (Actual) | FY15 (Actual) |
|-------------------------------|---------|---------------|---------------|---------------|
| Operating Income | Rs. Cr. | 20.63 | 17.64 | 23.79 |
| EBITDA | Rs. Cr. | 0.97 | 0.73 | 0.75 |
| PAT | Rs. Cr. | 0.23 | 0.13 | 0.16 |
| EBITDA Margin | (%) | 4.72 | 4.16 | 3.16 |
| PAT Margin | (%) | 1.10 | 0.72 | 0.66 |
| ROCE (%) | (%) | 8.79 | 6.97 | 14.19 |
| Total Debt/Tangible Net Worth | Times | 0.98 | 0.85 | 1.04 |
| PBDIT/Interest | Times | 1.87 | 1.52 | 1.68 |
| Total Debt/PBDIT | Times | 5.21 | 5.72 | 6.37 |
| Gross Current Assets (Days) | Days | 191 | 167 | 148 |

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

None

Any other information

Acuite 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 |
|-------------|---------------------------------|-----------|------------------|---------------------|
| 17-Jan-2018 | Cash Credit | Long Term | 8.00 | ACUITE BB- / Stable |

#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 | 8.00 | ACUITE BB- Issuer not co-operating* |

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

Contacts

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|--|---|
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About Acuite Ratings & Research:

Acuite 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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