

## Press Release

### Greenbilt Industries Private Limited

July 06, 2018

### Rating Assigned



<b>Total Bank Facilities Rated*</b>	Rs. 28.00 Cr.
<b>Long Term Rating</b>	ACUITE D

\* Refer Annexure for details

### Rating Rationale

Acuité has assigned long-term rating of '**ACUITE D**' (read as **ACUITE D**) on the Rs.28.00 crore bank facilities of GREENBILT INDUSTRIES PRIVATE LIMITED.

Greenbilt Industries Pvt. Ltd. was incorporated in 2012 by Mr. Aditya Agarwal, Mr. Bhairavi Agarwal, and Mr. Nitesh Jain. The company is engaged in the production of AAC blocks, an environment friendly product used in place of traditional clay and fly ash bricks in the construction industry. The manufacturing facility is located near Raipur (Chhattisgarh) with an installed capacity of 700 cubic meters per day. The company aims to provide quality AAC blocks to the developing cities and towns of Central India.

### Key Rating Drivers

#### Strengths

- **Experienced management**

GIPL is engaged in production of AAC blocks. The promoters have around 8 years of experience in various line of business.

#### Weaknesses

- **Delays in debt servicing**

GIPL has a term loan of Rs.21 crore. The company has been regularly delaying on their interest payments in the past six months ended March 2018. The delays have been due to the weak liquidity position.

- **Working capital intensive operations**

The Gross Current Assets stood at 1323 days in FY2017. It mainly consists of debtors of 111 days due to its nascent stage of operation and inventory of 33 days.

- **Weak financial risk profile**

The financial risk profile is marked by low net worth, high gearing and weak debt protection measures. The net worth stood at Rs.9.78 crore as on 31 March, 2017. The debt equity stood at 2.72 in FY2017 times and interest coverage at (1.08) times in FY2017. Total debt of Rs.26.63 crore consist of Rs.21.44 crore of long term debt and Rs.5.19 crore of short term debt. Moreover, the Net Cash Accruals to Total Debt (NCA/TD) stood at (0.05) times while Debt Service Coverage (DSCR) stood at (0.41) times as on March 31, 2017.

### **Analytical Approach**

Acuité has considered the standalone business and financial risk profiles of GIPL to arrive at the rating.

### About the Rated Entity - Key Financials

	Unit	FY17 (Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	0.11	0.00	0.00
EBITDA	Rs. Cr.	-0.52	-0.03	-0.01
PAT	Rs. Cr.	-2.15	-0.03	-0.01
EBITDA Margin	(%)	-466.15	0.00	0.00
PAT Margin	(%)	-1927.98	0.00	0.00
ROCE	(%)	-5.08	-0.39	-1.23
Total Debt/Tangible Net Worth	Times	2.72	1.02	0.73
PBDIT/Interest	Times	-1.08	-10.25	-7.71
Total Debt/PBDIT	Times	-57.37	-278.20	-113.86
Gross Current Assets (Days)	Days	1323	0	0

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

None

### Any other information

None

### Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>

### Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

### Rating History (Upto last three years)

Not Applicable

### \*Annexure – 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	5.00	ACUITE D
Term Loan	Not Applicable	Not Applicable	Not Applicable	14.00	ACUITE D
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE D
Term Loan	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE D

## Contacts

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### About Acuité Ratings & Research:

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