

Press Release

GGSBY INDUSTRIES PRIVATE LIMITED (ERSTWHILE GHASIRAM GOKALCHAND SHIP BREAKING YARD)

May 09, 2024



Product	Rating	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings	Loan	60.00	ACUITE BB Reaffirmed & Withdrawn Issuer not co-operating*	-
Bank Ratings	Loan	40.00	-	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Bank Ratings	Loan	50.00	-	Not Applicable Withdrawn
Total Outstanding Quantum (Rs. Cr)		0.00	-	-
Total Withdrawn Quantum (Rs. Cr)		150.00	-	-

Rating Rationale

Acuite has reaffirmed and withdrawn the long-term rating to '**ACUITE BB**' (read as **ACUITE double B**) and the short-term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) on Rs.100.00 crore bank facilities of GGSBY Industries Private Limited (Erstwhile Ghasiram Gokalchand Ship Breaking Yard) and withdrawn the proposed short-term facilities of Rs. 50 crore without assigning any rating of GGSBY Industries Private Limited (Erstwhile Ghasiram Gokalchand Ship Breaking Yard). The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

The rating has been withdrawn as per Acuite's policy of withdrawal of ratings as applicable to the respective instrument/facility. The rating has been withdrawn on account of the request received from the company and the NOC (No Objection Certificate) received from the banker.

About the Company

GGSBY Industries Private Limited is a partnership firm established in 1984. Mr. Vishnu Kumar Gupta and Mrs. Priyanka Gupta are the partners of the firm. The firm has its registered office in Mumbai and is engaged in the business of ship breaking and factory dismantling. Ghasiram Gokalchand Ship Breaking Yard has the 3,150 square metre Ship Breaking Yard located at Alang in Bhavnagar (Gujarat).

About the Group

Ashwin Corporation (AC) is a partnership firm established in 1989. Mr. Vishnu Kumar Gupta and Mrs. Kusum Gupta are the partners of the firm. The firm has its registered office in Mumbai and is engaged in the business of ship breaking. AC has the 1,440 square metre Ship Breaking Yard located at Alang in Bhavnagar (Gujarat).

Unsupported Rating

Not Applicable

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 the due date. Acuité believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. 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 endeavoured 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.

Rating Sensitivities

"No information provided by the issuer / available for Acuite to comment upon."

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook: Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 19 (Actual)	FY 18 (Actual)
Operating Income	Rs. Cr.	124.85	72.89
PAT	Rs. Cr.	3.80	4.11
PAT Margin	(%)	3.05	5.63
Total Debt/Tangible Net Worth	Times	0.32	2.01
PBDIT/Interest	Times	3.10	3.77

Status of non-cooperation with previous CRA

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>
- Trading Entitie: <https://www.acuite.in/view-rating-criteria-61.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. Acuite'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
11 Aug 2023	Cash Credit	Long Term	60.00	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Letter of Credit	Short Term	40.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Proposed Short Term Bank Facility	Short Term	50.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
17 May 2022	Cash Credit	Long Term	60.00	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Letter of Credit	Short Term	40.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Proposed Short Term Bank Facility	Short Term	50.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
11 Feb 2021	Cash Credit	Long Term	60.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Letter of Credit	Short Term	40.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3)
	Proposed Short Term Bank Facility	Short Term	50.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	60.00	ACUITE BB Reaffirmed & Withdrawn Issuer not co-operating*
Punjab National Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	40.00	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Short Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	50.00	Not Applicable Withdrawn

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

1. GGSBY INDUSTRIES PRIVATE LIMITED
2. ASHWIN CORPORATION

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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