



Press Release

Gupta Power Infrastructure Limited

October 20, 2023

Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	1180.00 (including proposed limit of Rs. 90.00 crore)	IVR BB+/ Negative ISSUER NOT COOPERATING* (IVR double B plus with Negative outlook Issuer Not Cooperating)	Revised from IVR BBB-/ Negative ISSUER NOT COOPERATING* (IVR triple B minus with Negative outlook Issuer Not Cooperating) and continued to remain in the 'Issuer Not Cooperating' category	Simple
Short Term Bank facilities	2780.00 (including proposed limit of Rs. 310.10 crore)	IVR A4+ ISSUER NOT COOPERATING* (IVR A four plus Issuer Not Cooperating)	Revised from IVR A3 ISSUER NOT COOPERATING* (IVR A three Issuer Not Cooperating) and continued to remain in the 'Issuer Not Cooperating' category	Simple
Total	3960.00 (Three thousand nine hundred and sixty crore only)			

**Issuer did not cooperate; based on best available information*

Details of Facility are in Annexure 1

Detailed Rationale

The ratings revision is because of lack of adequate information regarding Gupta Power Infrastructure Limited's (GPIL) performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the company is commensurate with its rating and reviews the same as per its policy.



Press Release

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide E-mail communications dated June 7, 2023, June 27, 2023, August 16, 2023, August 21, 2023, August 28, 2023 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted surveillance fees and all the essential details required for detailed review of the assigned ratings.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long term ratings of the bank loan facilities aggregating to Rs.1,180.00 crore shall be continued under the 'ISSUER NOT COOPERATING' category by Infomerics and the ratings be noted as 'IVR BB+/ Negative ISSUER NOT COOPERATING' based on best available information (IVR double B plus with Negative outlook Issuer Not Cooperating; Based on best available information) and the short term ratings of the bank loan facilities aggregating to Rs.2,780.00 crore shall be continued under the 'ISSUER NOT COOPERATING' category by Infomerics and the ratings be noted as 'IVR A4+ ISSUER NOT COOPERATING' based on best available information (IVR A four plus Issuer Not Co-operating; Based on best available information) of Gupta Power infrastructure Limited.

Analytical Approach & Applicable Criteria: Standalone

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Rating Methodology for Manufacturing Companies](#)

[Criteria for assigning rating outlook](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)



Press Release

About the Company

Gupta Power Infrastructure Ltd (GPIL) was set up in 1961 and was taken over by the family of Late Shri Jagdish Rai Gupta of Odisha in 1970. The company commenced operation with manufacture of Alloy Conductors in Odisha, in which it was the pioneer. Thereafter, the company also ventured into manufacturing of Cables and Alloy Cables. The product portfolio of the company consists of aluminium, aluminium-alloy, and aluminium-steel reinforced conductors, high tension and low-tension power cables, control cables, instrumentation and signal cables, ariel bunched cables and industrial cables. These products find application mainly in power generation, transmission and distribution utilities. In 2008, the Company also ventured into EPC segment where it started with setting up of sub-stations and distribution lines for electrification of villages. The company has also been exploring to enhance its focus in the retail wires segment (house wires). It has established its distribution network of retailers for selling cables under the brand name of 'Rhino' under the franchisee model.

Financials (Standalone):

For the year ended* / As on	(Rs. crore)	
	31.03.2021	31.03.2022
	Audited	Audited
Total Income	2958.01	3704.74
EBIDTA	215.22	242.00
PAT	61.81	74.45
Total Debt	949.77	1114.76
Tangible Net Worth	646.47	793.51
Adjusted Tangible Net Worth	709.55	829.99
EBDITA Margin (%)	7.28	6.53
PAT Margin (%)	2.09	2.01
Overall Gearing Ratio (x)	1.47	1.40

*Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA:

CRISIL Rating has moved the rating of Gupta Power Infrastructure Limited into the Issuer Non-Cooperating category on account of inadequate information and lack of management cooperation in the rating procedure despite repeated follow ups as per the Press Release dated October 12, 2023.

Any other information: Nil



Press Release

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Type	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
			Amount outstanding (Rs. Crore)	Rating		Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21
					September 8, 2023	(August 18, 2022)	(May 21, 2021)	-
1.	Term Loan	Long Term	-	-	-	-	Withdrawn	-
2.	WCDL/CC	Long Term	1,090.00	IVR BB+/ Negative ISSUER NOT COOPERATING*	IVR BBB-/ Negative ISSUER NOT COOPERATING*	IVR A/ Stable	IVR A/ Stable	-
3.	Proposed WCDL/CC	Long Term	90.00	IVR BB+/ Negative ISSUER NOT COOPERATING*	IVR BBB-/ Negative ISSUER NOT COOPERATING*	IVR A/ Stable	IVR A/ Stable	-
4.	Bank Guarantee/ Letter of Credit	Short Term	2469.90	IVR A4+ ISSUER NOT COOPERATING*	IVR A3 ISSUER NOT COOPERATING*	IVR A1	IVR A1	-
5.	Proposed Bank Guarantee/ Letter of Credit	Short Term	310.10	IVR A4+ ISSUER NOT COOPERATING*	IVR A3 ISSUER NOT COOPERATING*	IVR A1	IVR A1	-

* Issuer did not cooperate; based on best available information

Name and Contact Details of the Rating Analyst:

Name: Mr. Sandeep Khaitan

Tel: (033) 4803 3621

Email: sandeep.khaitan@infomerics.com

About Infomerics:



Press Release

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
------------------	------------------	------------------	---------------	------------------------------	--------------------------



Press Release

WCDL/CC	-	-	-	1090.00	IVR BB+/ Negative ISSUER NOT COOPERATING*
Proposed WCDL/CC	-	-	-	90.00	IVR BB+/ Negative ISSUER NOT COOPERATING*
Bank Guarantee/ Letter of Credit	-	-	-	2469.90	IVR A4+ ISSUER NOT COOPERATING*
Proposed Bank Guarantee/ Letter of Credit	-	-	-	310.10	IVR A4+ ISSUER NOT COOPERATING*

**Issuer did not cooperate; based on best available information*

Annexure 2: Facility wise lender details: Not Applicable

Annexure 3: List of companies considered for consolidated analysis: Not Applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.