



## Press Release

**Nivaya Resources Pvt Ltd**

**(Formerly known as GP Global Energy Pvt Ltd)**

**June 04, 2021**

### **Ratings**

<b>Sl. No.</b>	<b>Instrument/Facility</b>	<b>Amount (Rs. Crore)</b>	<b>Ratings</b>	<b>Rating Action</b>
1.	Long Term Bank Facilities	162.00	IVR D (IVR D)	Revised from IVR BBB-/ Credit Watch with developing implications (IVR Triple B Minus under Credit watch with developing implications)
2.	Short Term Bank Facilities	75.00	IVR D (IVR D)	Revised from IVR A3/ Credit Watch with developing implications (IVR A Three under Credit watch with developing implications)
		<b>237.00</b> <b>(Rupees two hundred and thirty seven crores only)</b>		

**Details of Facilities are in Annexure 1.**

### **Detailed Rationale & Key Rating Drivers**

The downgrade in the ratings assigned to the bank facilities of Nivaya Resources Pvt Ltd (NRPL) factor in delays in debt servicing by the company due to its poor liquidity position attributable to cashflow mismatches.

### **Detailed description of the key rating drivers**

#### **Poor liquidity position**

The liquidity position of the company remained poor on account of cashflow mismatches due to delay in collection from debtors leading to devolvement of certain letter of credits (LCs) and LC account being remaining overdrawn for more than 30 days.

### **Key Rating Sensitivities:**

#### **Upward Factor:**

- Timely debt servicing for three consecutive months would be positive for the ratings.

### **Analytical Approach: Standalone**

### **Applicable Criteria:**

Rating Methodology for Trading and Service Sector Companies



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Financial Ratios & Interpretation (Non-financial Sector)

Criteria on Default Recognition and Post-Default Curing Period

### Liquidity: Poor

The liquidity position of NRPL appears to be poor due to delay in collection from debtors leading to cashflow mismatches.

### About the company

Incorporated in 2010, Nivaya Resources Pvt Ltd (NRPL) (Formerly known as GP Global Energy Pvt Ltd) is part of the UAE based Gulf Petrochem (GP) group and a subsidiary of Gulf Petrochem FZC. The name of the company was changed from Gulf Petrochem Energy Pvt. Ltd. in January 2016. It is mainly engaged in importing and supplying bunker fuel to vessels calling at various Gujarat port such as Kandla, Mundra, Sikka and Mul Dwarka. It is also engaged in coal and metal trading.

### Financials (Standalone)

(Rs. crore)

For the year ended* / As On	31-03-2019	31-03-2020
	<b>Audited</b>	<b>Audited</b>
Total Operating Income	577.64	803.53
EBITDA	18.79	26.22
PAT	8.62	8.78
Total Debt	172.76	228.98
Tangible Net worth	126.63	135.88
EBITDA Margin (%)	3.25	3.26
PAT Margin (%)	1.48	1.09
Overall Gearing Ratio (x)	1.36	1.69

\*Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: Not Applicable

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2021-22)			Rating History for the past 3 years			
		Type	Amount outstanding (Rs. Crore)	Ratings	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19



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1.	Cash Credit and Working Capital Demand Loan	Long Term	162.00	IVR D	IVR BBB- (Credit watch with developing implication) (September 22, 2020)	IVR A- [CE]/ Stable Outlook* (July 02,2020)	-	
2.	Letter of Credit	Short Term	75.00	IVR D	IVR A3 (Credit watch with developing implication) (September 22, 2020)	IVR A2+ [CE]* (July 02,2020)	-	

**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](http://www.infomerics.com).

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**About Infomerics:**

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine-tune its product offerings to best suit the market.

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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 Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Fund Based Limits- Cash Credit & Working Capital Demand Loan	-	-	-	162.00	IVR D
Short Term Non-Fund Based Limits- Letter of Credit	-	-	-	75.00	IVR D

### Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-NRPL-4-5-21.pdf>