



## Press Release

### GP Petroleums Ltd

**December 31, 2021**

#### **Ratings**

Sl. No.	Instrument/Facility	Amount (Rs. Crore)	Ratings	Rating Action
1.	Long/ Short Term bank Facilities	220.00	IVR BB; ISSUER NOT COOPERATING/ IVR A4; ISSUER NOT COOPERATING* (IVR Double B; Issuer Not Cooperating/ IVR A Four Issuer Not Cooperating)	Revised from IVR BB+ Under credit watch with negative implications/ IVR A4+ and moved to Issuer Not Cooperating category
	<b>Total</b>	<b>220.00 (Rupees two hundred and twenty crores only)</b>		

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

#### **Details of Facility are in Annexure 1**

#### **Detailed Rationale**

Infomerics has been seeking information from GP Petroleums Limited (GPL) to monitor the rating vide e-mail communications dated August 16, 2021, September 21, 2021, October 29, 2021 and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the rating. In line with the extant SEBI guidelines, Infomerics has reviewed the rating on the basis of the best available information. 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 entity.

#### **Detailed description of the key rating drivers: 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. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details. 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



## Press Release

available information. Accordingly, the long/short-term rating for the bank loan facilities of GP Petroleums Limited aggregating to Rs.220.00 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB: Issuer Not Cooperating; Issuer Not Cooperating; Based on best available information (IVR Double B: Issuer Not Co-operating) / IVR A Four; Issuer Not Co-operating; Based on best available information ( IVR A Four; Issuer Not Co-operating; Based on best available information).

### Analytical Approach: Standalone

#### Applicable Criteria:

Guidelines on what constitutes Non-Cooperation by clients

Rating Methodology for Manufacturing Companies

Financial Ratios & Interpretation – (Non-financial Sector)

#### About the Company

Incorporated as Sah Petroleums Ltd in 1983, the company's name was changed to GP Petroleums Ltd (GPPL) post acquisition by the Gulf Petrochem group in fiscal 2015. The company is listed on the BSE and NSE. The company designs, manufactures, and markets industrial and automotive lubricants, process oils, transformer oils, and greases. The products are sold under the IPOL brand in India and abroad. The company also has tie-up with REPSOL, S.A. for manufacturing and marketing of its products in India. The products have several latest national and international performance specifications and approvals to their credit such as API, JASO, ACEA etc. other than OEM credentials. The company's manufacturing plants in India i.e. Vasai (Mumbai) & Daman, have an annual production capacity of 80,000 KL. Also, it has an in-house Base Oil Storage facility of 15,000 KL which is one of the largest in the Indian industry and ensures consistency of quality and supply security.

#### Financials

(Rs. crore)

For the year ended* / As On	31-03-2020	31-03-2021
	<b>Audited</b>	<b>Audited</b>
Total Operating Income	495.20	609.80
EBITDA	28.12	26.89
PAT	15.00	17.00
Total Debt	37.06	118.32
Tangible Net worth	218.00	232.00
EBITDA Margin (%)	5.68	4.41
PAT Margin (%)	3.03	2.79



## Press Release

For the year ended* / As On	31-03-2020	31-03-2021
Overall Gearing Ratio (x)	0.17	0.51

\*Classification as per Infomerics' standards.

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Nil

**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)	Rating	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
1.	Fund Based Limit/ Non-fund Based Limit	Long Term/ Short Term	220.00	IVR BB; ISSUER NOT COOPERATING*/ IVR A4; ISSUER NOT COOPERATING*!	IVR BB+; Credit Watch with Negative Implications / IVR A4+ (October 12, 2020, 2020)	IVR A-/ Stable/ IVR A2+ (July 22, 2020)	-	-

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

**Name and Contact Details of the Rating Analyst:**

Name: Ms. Nidhi Sukhani Tel: (033) 46022266 Email: <a href="mailto:nsukhani@infomerics.com">nsukhani@infomerics.com</a>	Name: Mr. Avik Podder Tel: (033) 46022266 Email: <a href="mailto:apodder@infomerics.com">apodder@infomerics.com</a>
---	---

### 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 companied & credible rating agency in the country and is



## Press Release

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.

**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, suspend 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 Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term/ Short Term Bank Facilities	-	-	-	220.00	IVR BB; ISSUER NOT COOPERATING/ IVR A4; ISSUER NOT COOPERATING

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

**Annexure 2: Facility wise lender details:** Not Available

**Annexure 3: Detailed explanation of covenants of the rated instrument/facilities:** Not Applicable

### Annexure 4: Complexity level of the rated Instruments/Facilities

Sr No.	Instrument	Complexity Indicator
1.	Fund Based Limit	Simple
2.	Non-Fund Based Limit	Simple

**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).