

## Gujarat Colourlam Private Limited

December 23, 2022

### Ratings

Facilities/Instruments	Amount (Rs crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	14.85	CARE B+; Stable; ISSUER NOT COOPERATING* (Single B Plus; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; Stable; (Double B Minus; Outlook: Stable)
<b>Total Bank Facilities</b>	<b>14.85 (Rs Fourteen Crore and Eighty-Five Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1

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

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated October 18, 2021, placed the rating(s) of Gujarat Colourlam Private Limited (GCPL) under the 'issuer non-cooperating' category as GCPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. GCPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated September 03, 2022, September 13, 2022, September 23, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

The ratings assigned to the bank facilities of GCPL have been revised on account of non-availability of requisite information. The ratings further consider decline in overall profitability during FY22 over FY21.

### Detailed description of the key rating drivers

Please refer to PR dated [October 18, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the Company

Surat-based (Gujarat), GCPL was originally incorporated in December 1991 in name of M-Sons Textiles Private Limited was initially involved in the trading of plywood and particle boards. In 2007, the trading operations were discontinued and subsequently in 2011, the promoters set up a particle board manufacturing unit in Surat, Gujarat. It resumed its current name, GCPL, in June 2008. GCPL was promoted by Mr. Malchand Santnaliwala, Mr. Om Prakash Agarwal, Mr. Anand Kumar Agarwal, Mr. Amit Agarwal and Mr. Anup Agarwal. GCPL manufactures bagasse particle boards and laminated boards with all the products are sold under the brand name of "G Mica". Finished goods are primarily used by furniture manufacturing entities. There are two plants for manufacturing of particle boards with installed capacity of 15 lakh units per annum at factory site. Also, GCPL has installed 5 machineries for lamination having installed capacity of 1000 pieces per day per machine or 15 lakh units per annum as on March 31, 2015. The directors are also promoted three other companies namely as Gujarat Mica Product Private Limited, Gujarat Woodlam Product Private Limited and Gujarat Timber Industries. All of these entities are engaged in manufacturing of plywood.

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

Brief Financials (Rs. crore) (Standalone)	FY21 (A)	FY22 (A)	H1FY23 (Prov.)
Total operating income	80.83	87.72	NA
PBILDT	10.21	9.79	NA
PAT	3.53	3.74	NA
Overall gearing (times)	0.37	0.35	NA
Interest coverage (times)	6.05	9.20	NA

A: Audited; Prov.: Provisional; NA: Not Available

**Status of non-cooperation with previous CRA:** CRISIL has continued the rating assigned to the bank facilities of GCPL into Issuer Not Cooperating category vide press release dated April 25, 2022 on account of its inability to carry out a review in the absence of the requisite information from the company.

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Annexure-3

**Complexity level of various instruments rated for this company:** Annexure-4

#### Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	11.00	CARE B+; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	November, 2021	3.85	CARE B+; Stable; ISSUER NOT COOPERATING*

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

#### Annexure-2: Rating History of last three years

S r · N o ·	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	3.85	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (18-Oct-21)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (02-Nov-20)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (02-Aug-19)
2	Fund-based - LT-Cash Credit	LT	11.00	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (18-Oct-21)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (02-Nov-20)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (02-Aug-19)

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

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

#### Annexure 4: Complexity level of various instruments rated for this company

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

**Annexure 5: Bank Lender Details for this company**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

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**About CARE Ratings Limited:**

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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