

Gujarat Foils Limited

October 13, 2020

Ratings

Facilities	Amount (Rs. crore)	Rating1	Rating Action
Long-term Bank Facilities – (Term Loans)	0.00	--	Withdrawn
Long-term Bank Facilities – (Fund Based)	0.00	--	Withdrawn
Short-term Bank Facilities – (Non- fund based)	0.00	--	Withdrawn
Total Facilities	0.00		

Details of facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the outstanding ratings of **CARE D; Issuer Not Co-operating*** assigned to the bank facilities of **Gujarat Foils Limited (GFL)** with immediate effect. The above action has been taken in view of the commencement of liquidation of GFL and appointment of liquidator for the same, as ordered by the Hon'ble National Company Law Tribunal, Ahmedabad Bench.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Incorporated in 1992 as a public limited company, Gujarat Foils Limited (GFL) was acquired by Topworth Group in 2008. Mr. Abhay Lodha (promoter of the Topworth Group) is the Chairman of GFL and has more than a decade of experience in steel trading and manufacturing. GFL manufactures aluminium sheets and foils for industrial applications like bottle caps used in brewery and pharmaceutical packaging, heat exchanger fins of AC units, Eyelets used in footwear and garment sector, end caps of Tube lights used in electrical sector. Besides, GFL has presence in consumer products business with its embossed consumer house foil 'nutriwrap'. Also, in November 2014, the company ventured into a new activity in the consumer segment and commenced manufacturing of Semi-Rigid Containers (SRC), which are used mostly by restaurants to supply packaged food to cater to the orders from households. As on March 2017, GFL has 28,000 tonnes sheets and foils rolling capacity and 3,600 tonnes pharmaceutical foil rolling capacity.

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)
Total operating income	219.26	58.21
PBILDT	-373.48	-7.28
PAT	-384.32	-29.34
Overall gearing (times)	NEG	NEG
Interest coverage (times)	NEG	NEG

A: Audited; NEG: Negative

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

Complexity level of various instruments rated for this company: Annexure 3

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

*Issuer did not cooperate; Based on best available information

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	0.00	Withdrawn
Non-fund-based - ST-BG/LC	-	-	-	0.00	Withdrawn
Term Loan-Long Term	-	-	-	0.00	Withdrawn

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE D; ISSUER NOT COOPERATING* (29-Jul-19)	-	1)CARE D; ISSUER NOT COOPERATING* (14-Feb-18)
2.	Non-fund-based - ST-BG/LC	ST	-	-	-	1)CARE D; ISSUER NOT COOPERATING* (29-Jul-19)	-	1)CARE D; ISSUER NOT COOPERATING* (14-Feb-18)
3.	Term Loan-Long Term	LT	-	-	-	1)CARE D; ISSUER NOT COOPERATING* (29-Jul-19)	-	1)CARE D; ISSUER NOT COOPERATING* (14-Feb-18)

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

Annexure 3: 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.	Non-fund-based - ST-BG/LC	Simple
3.	Term Loan-Long Term	Simple

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@careratings.com for any clarifications.

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

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