

GML/KOL/2018-19  
September 20, 2018

<b>Bombay Stock Exchange Limited</b> Floor 25, P J Towers, Dalal Street, Mumbai- 400 001. INDIA.	<b>National Stock Exchange of India Limited</b> "EXCHANGE PLAZA", Bandra – Kurla Complex, Bandra (East), Mumbai- 400 051. INDIA.
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Sir/Madam,

**SUB: INDIA RATINGS UPGRADED GALLANTT METAL CREDIT RATING – LONG TERM - 'IND A/STABLE; SHORT TERM 'INDA1'**

This is in continuation of earlier update on Credit Rating upgraded by India Ratings and Research, A Fitch Group Company (hereinafter referred to as "India Rating").

We hereby inform that India Ratings and Research, A Fitch Group Company has assigned Credit Ratings on the remaining unrated amount of Non-fund Based limits of Rs. 3.80 Crores. Hence, India Rating has upgraded the Company a Long Term Issuer Rating of 'IND A/Stable'. The Outlook is stable.

Rating Actions on Credit Facilities are as under:

Instrument Type	Current Rating/Outlook		
	Rating Type	Rated Limits (Crores)	Rating
Issuer Rating	Long Term	-	IND A/Stable
Fund-based limits	Long-term/Short-term	INR 50.00	IND A/ Stable/IND A1
Non-fund based limits	Short-term	INR 128.80*	IND A1

A copy of Press Release of Rs. 175.00 Crores and Rs. 3.80 Crores are enclosed herewith.

Thanking you,

Yours faithfully,

**GALLANTT METAL LIMITED**  
**GALLANTT METAL LIMITED**

  
Company Secretary

Tarun Kumar Rathi  
(COMPANY SECRETARY)

Encl: As above.

**GALLANTT METAL LIMITED**

## India Ratings Assigns Gallantt Metal's Additional Bank Loan 'IND A1'

# 20

SEP 2018

By Barath Ramjee

India Ratings and Research (Ind-Ra) has rated Gallantt Metal Limited's (Gallantt) additional bank loan as follows:

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating	Rating Action
Non-fund-based limits	-	-	-	INR38	IND A1	Assigned

### KEY RATING DRIVERS

For Gallantt's detailed rationale, please click [here](#).

### RATING SENSITIVITIES

**Positive:** A significant increase in the scale of operations along with the maintenance of the EBITDA margin and credit metrics on a sustained basis could lead to a positive rating action.

**Negative:** A sustained increase in net leverage above 1x would lead to a negative rating action.

### COMPANY PROFILE

Incorporated in 2005, Gallantt manufactures sponge iron, mild steel billets and re-rolled products (thermo-mechanically treated bars). It also has a 33MW captive power plant. Gallantt is promoted by Mr Chandra Prakash Agrawal and is listed on the Bombay Stock Exchange and the National Stock Exchange.

GALLANTT METAL LIMITED

  
 Company Secretary

### FINANCIAL SUMMARY

Particulars	FY18	FY17
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Revenue (INR million)	8,456	6,167
EBITDA (INR million)	865	526
Interest Cost (INR million)	66	63
EBITDA margin (%)	10.2	8.5
Gross interest coverage (x)	13.18	8.37
Net leverage (x)	0.63	1.41
Source: Gallantt, Ind-Ra		

## RATING HISTORY

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook		
	Rating Type	Rated Limits (million)	Rating	29 August 2018	10 July 2017	21 March 2016
Issuer rating	Long-term	-	IND A/Stable	IND A/Stable	IND A-/Stable	IND A-/Stable
Fund-based limits	Long-/short-term	INR500	IND A/Stable/IND A1	IND A/Stable/IND A1	IND A-/Stable/IND A2+	IND A-/Stable/IND A2+
Non-fund-based limits	Short-term	INR1,288	IND A1	IND A1	IND A2+	IND A2+

## COMPLEXITY LEVEL OF INSTRUMENTS

For details on the complexity levels of the instruments, please visit <https://www.indiaratings.co.in/complexity-indicators>.

## SOLICITATION DISCLOSURES

Additional information is available at [www.indiaratings.co.in](http://www.indiaratings.co.in). The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

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## ABOUT INDIA RATINGS AND RESEARCH

**About India Ratings and Research:** India Ratings and Research (Ind-Ra) is India's most respected credit rating agency committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance and leasing companies, managed funds, urban local bodies and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India, the Reserve Bank of India and National Housing Bank.

GALLANTT METAL LIMITED

  
Company Secretary

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## Applicable Criteria

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Corporate Rating Methodology.

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## Analyst Names

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### Primary Analyst

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GALLANTT METAL LIMITED

*[Signature]*  
Company Secretary