

August 14, 2023

Giesecke & Devrient India Private Limited: Rating moved to Non Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long term- Fund based	49.10	49.10	[ICRA]A-(Stable); ISSUER NOT COOPERATING*; rating moved to Issuer Not Cooperating category
Long term and short term – Non-fund based	182.00	182.00	[ICRA]A-(Stable)/[ICRA]A2+; ISSUER NOT COOPERATING*; rating moved to Issuer Not Cooperating category
Total	231.10	231.10	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has moved the ratings for the bank facilities of Giesecke & Devrient India Private Limited (G&D) to the Issuer Not Cooperating category. The rating is denoted as [ICRA]A-(Stable)/ [ICRA]A2+; ISSUER NOT COOPERATING.

As part of its process and in accordance with its rating agreement with G&D, ICRA has been trying to seek information from the company to monitor its performance. Further, ICRA has been sending repeated reminders to the company for the payment of surveillance fee that became due. Despite multiple requests by ICRA, the company's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been moved to the Issuer Not Cooperating category.

The rating is based on the available/dated/limited information on the company's performance since the time it was last rated in July 2022. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as it does not adequately reflect the credit risk profile of the entity. The entity's credit profile may have changed since the time it was last reviewed by ICRA; however, in the absence of requisite information, ICRA is unable to take a definitive rating action.

Please refer to the following link for the previous detailed rationale that captures the key rating drivers and their description, liquidity position and rating sensitivities: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the company.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Policy in respect of Non-cooperation by the rated entity
Parent/Group Support	Not applicable
Consolidation/Standalone	Standalone

About the company

G&D India, established in 2001, offers banknote processing systems (BPS) and other related services, including annual maintenance contracts, overhaul services and lease of BPS. The company is a subsidiary of Giesecke + Devrient GmbH and is involved in similar business segments in Germany. The other key business segment of G&D India is information technology (IT), wherein it primarily provides IT software and technical support to other G&D subsidiaries located in various parts of the globe.

Key financial indicators (Audited)

Standalone	FY2021	FY2022
Operating income (Rs. crore)	191.0	398.5
PAT (Rs. crore)	5.9	32.4
OPBDIT/OI (%)	12.9%	14.7%
PAT/OI (%)	3.1%	8.1%
Total outside liabilities/tangible net worth (times)	1.1	1.7
Total debt/OPBDIT (times)	0.0	0.0
Interest coverage (times)	10.6	94.6

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not Available

Any other information: None

Rating history for past three years

	Instrument	Current rating (FY2024)				Chronology of rating history for the past 3 years			
		Type	Amount rated (Rs. crore)	Amount outstanding (Rs. crore)	Date & rating in FY2024	Date & rating in FY2023	Date & rating in FY2022	Date & rating in FY2021	
					14-Aug-2023	04-Jul-2022	06-Apr-2021		
1	Fund based - Working capital loan/Overdraft	Long Term	49.10	-	[ICRA]A-(Stable); ISSUER NOT COOPERATING	[ICRA]A-(Stable)	[ICRA]A-(Stable)	-	
2	Non-fund based - Bank guarantees	Long Term/ Short Term	182.00	-	[ICRA]A-(Stable) / [ICRA]A2+; ISSUER NOT COOPERATING	[ICRA]A-(Stable) / [ICRA]A2+	[ICRA]A-(Stable) / [ICRA]A2+	-	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term fund-based working capital loan/Overdraft	Simple
Long-term/Short-term – Non-fund based bank guarantees	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Fund based - Working capital loan/Overdraft	NA	NA	NA	49.10	[ICRA]A- (Stable); ISSUER NOT COOPERATING
NA	Non-fund based - Bank guarantees	NA	NA	NA	182.00	[ICRA]A- (Stable)/[ICRA]A2+; ISSUER NOT COOPERATING

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis – Not Applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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