



SMERA RATINGS LIMITED

# Gyscoal Alloys Limited (GAL)

## Rating Rationale

June 22, 2015

Facilities	Amount (Rs. Crore)	Rating
Term Loan	0.20	SMERA D (Assigned)
Cash Credit	63.00	SMERA D (Assigned)
Letter of Credit	5.00	SMERA D (Assigned)

SMERA has assigned a rating of '**SMERA D' (read as SMERA D)** to the Rs.68.20 crore bank facilities of Gyscoal Alloys Limited (GAL). The rating reflects the company's weak liquidity position evidenced by devolvment of letter of credit and overdrawing in cash credit account.

### About the company

GAL, incorporated in 1999, is a Gujarat-based company promoted by Mr. Viral Shah. GAL is engaged in manufacturing of alloy ingots, billets and stainless steel long products.

For FY2013-14, GAL reported profit after tax (PAT) of Rs.0.55 crore on operating income of Rs.276.36 crore, as compared with PAT of Rs.1.58 crore on operating income of Rs.287.96 crore in FY2012-13. The company's net worth stood at Rs.95.02 crore as on March 31, 2014, as compared with Rs.92.11 crore a year earlier.

### Contact List:

Media/Business Development	Analytical Contacts	Rating Desk
Antony Jose Vice President – Business Development, Mid Corporate Tel: +91-22-6714 1191 Cell: +91 98208 02479 Email: <a href="mailto:antony.jose@smera.in">antony.jose@smera.in</a>	Vinay Chhawchharia Associate Vice President – Corporate Ratings Tel: +91-22-6714 1156 Email: <a href="mailto:vinay.chhawchharia@smera.in">vinay.chhawchharia@smera.in</a>	Tel: +91-22-6714 184 Email: <a href="mailto:ratingdesk@smera.in">ratingdesk@smera.in</a>

**Disclaimer:** A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.smera.in](http://www.smera.in)) for the latest information on any instrument rated by SMERA.