

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 devolvement of letter of credit and overdrawning 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.

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