

Press Release

Goyal Ispat Limited (GIL)

30 January, 2018



Rating Update

| | |
|---------------------------------------|--------------------------------------|
| Total Bank Facilities Rated* | Rs.17.50 Cr |
| Long Term Rating (Indicative) | SMERA B- Issuer not co-operating* |
| Short Term Rating (Indicative) | SMERA A4 Issuer not co-operating* |

#Refer Annexure for details

*The issuer did not co-operate; Based on best available information.

SMERA has assigned long term rating of '**SMERA B-** (read as SMERA B minus)' and short term rating of '**SMERA A4**' (read as SMERA A four) on the above mentioned Rs.17.50 crore bank facility of Goyal Ispat Limited (GIL). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower: SMERA has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Trading Entities: <https://www.smerra.in/criteria-trading.htm>
- Default Recognition: <https://www.smerra.in/criteria-default.htm>
- Financial Ratios and Adjustments: <https://www.smerra.in/criteria-fin-ratios.htm>

Limitation regarding information availability: The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

GIL is a part of the Kamachi group of companies set up by Mr. G L Kothari in 1978 based out of Chennai location. GIL was incorporated in the year 1990 and engaged in the business of

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manufacturing of TMT bars. The group is an integrated secondary steel player in Chennai (Tamil Nadu).

For FY2015-16, GIL registered profit after tax (PAT) of Rs. (3.42) crore on total income of Rs.64.35 crore as against PAT of Rs. (0.28) crore on total income of Rs. 49.77 crore for FY2014-15.

Rating History for the last three years:

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr.) | Ratings/Outlook |
|------------------|---------------------------------|------------|------------------|-----------------------------|
| 12-December-2016 | Cash Credit | Long term | 12.50 | SMERA B-/Stable (Assigned) |
| | Letter of Credit | Short term | 5.00 | SMERA A4 (Assigned) |

Annexure – Details of instruments rated:

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Crore) | Ratings |
|------------------------|------------------|-------------|---------------|-------------------------------|--------------------------------------|
| Cash Credit | NA | NA | NA | 12.50 | SMERA B- Issuer not co-operating* |
| Letter of credit | NA | NA | NA | 5.00 | SMERA A4 Issuer not co-operating* |

**The issuer did not co-operate; Based on best available information.*

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ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, Dun & Bradstreet Information Services India Private Limited (D&B) and leading public and private sector banks in India. SMERA is registered with SEBI as a Credit Rating Agency and accredited by Reserve Bank of India. For more details, please visit www.smera.in.

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