

December 20, 2023

Goa Ispat Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	10.00	10.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category
Long Term-Fund Based-Term Loan	1.62	1.62	[ICRA]B+(Stable); ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category
Short Term-Non-Fund Based-Others	20.00	20.00	[ICRA]A4; ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category
Total	31.62	31.62	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the long-term and short-term rating of Goa Ispat Limited in the 'Issuer Not Cooperating' category. The ratings are denoted as [ICRA]B+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING"

As part of its process and in accordance with its rating agreement with Goa Ispat Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity'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 continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

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

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Iron & Steel
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Incorporated in 1997, GIL was initially engaged in the manufacturing of TOR steel till 2005. The company upgraded the production capability to commence the manufacturing of TMT bars in FY2006 under the brand name “Amba Shakti TMT 500”. The company also started production of structural steel products namely angles and channels in FY2007 under the brand name “Amba”. In FY2008, the company started MS ingots production by taking the induction furnace on lease from its sister concern M/s. Balaji Metals. Currently, it manufactures of MS ingots and TMT bars (8mm to 32mm) and has an installed capacity of 48,000 MTPA and 60,000 MTPA respectively. The manufacturing facility of the company is located at Madkaim Industrial Estate in Goa. GIL has partially backward integrated operations, whereby about half of the 2 MS ingots required are manufactured in-house using a mix of sponge iron and scrap as raw materials. Customer base of the company mainly includes domestic traders.

Status of non-cooperation with previous CRA:NA

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	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021	
					Dec 20, 2023				Oct 19, 2022
1	Cash Credit	Long Term	10.00	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	
2	Term Loan	Long Term	1.62	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	
3	Non-Fund based	Short Term	20.00	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple
Non-Fund based	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, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	10.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Term Loan	-	-	-	1.62	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Non-Fund based	-	-	-	20.00	[ICRA]A4; ISSUER NOT COOPERATING

Source: Goa Ispat Limited

Annexure-2: 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.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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