

January 14, 2022

## Gokul Agro Resources Limited: Rating Withdrawn

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund-based- EPC/CC/Others	200.00	200.00	[ICRA]BBB (Stable); Withdrawn
Fund-based-Term Loan	105.50	105.50	[ICRA]BBB (Stable); Withdrawn
Non-fund Based- LC/BG	930.20	930.20	[ICRA]A3+; Withdrawn
<b>Total</b>	<b>1235.70</b>	<b>1235.70</b>	

\*Instrument details are provided in Annexure-1

### Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **Gokul Agro Resources Limited** based on the No Objection Certificate received from the banker, and in accordance with ICRA's policy on withdrawal and suspension. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position, Rating Sensitivities, have not been captured as the related instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">ICRA Policy on Withdrawal and Suspension of Credit Ratings</a> <a href="#">Corporate Credit Rating Methodology</a> <a href="#">Rating Methodology for Entities in the Edible Oil Industry</a>
Parent/Group Support	Not Applicable
Consolidation/Standalone	Not Applicable

### About the company

GARL was formed after the demerger of the erstwhile Gokul Refoils & Solvent Limited (GRSL) in July 2015. It is operated by Mr. Kanubhai Thakkar and family. The company is involved in refining and marketing of edible oils. It has a seed processing capacity of 3,200 TPD, cake extraction capacity of 1,000 TPD, oil refining capacity of 3,400 TPD and vanaspati manufacturing capacity of 200 TPD at its Gandhidham plant.

The erstwhile GRSL was jointly promoted by Mr. Kanubhai Thakkar and Mr. Balvantsinh Rajput in 1982 as a small unit for seed processing and trading in edible oils. In 1992, it was incorporated as Gokul Refoils and Solvent Private Limited. Over the years, it expanded its refining capacity and set up crushing and extraction facilities at different locations. GRSL demerged its Gandhidham unit into GARL in July 2015.

## Key financial indicators

	FY 2020	FY 2021
Operating Income (Rs. crore)	5,587.3	8,386.6
PAT (Rs. crore)	19.2	44.7
OPBDIT/OI (%)	2.5%	1.7%
RoCE (%)	19.9%	22.7%
Total Outside Liabilities/Tangible Net Worth (times)	3.9	3.5
Total Debt/OPBDIT (times)	1.9	1.4
Interest Coverage (times)	1.7	2.3
DSCR (times)	1.2	1.7

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

## Rating history for past three years

	Instrument	Current Rating (FY2022)				Rating History for the Past 3 Years			
		Type	Amount Rated	Amount Outstanding	Date & Rating		FY2021	FY2020	FY2019
					January 14, 2022	September 09, 2021			
1	Fund Based - EPC/CC/Others	Long Term	200.00	-	[ICRA]BBB (Stable); Withdrawn	[ICRA]BBB (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Negative)
2	Fund Based - Term Loan	Long-Term	105.50	-	[ICRA]BBB (Stable); Withdrawn	[ICRA]BBB (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Negative)
3	Non-Fund Based-LC/BG	Short-Term	930.20	-	[ICRA]A3+; Withdrawn	[ICRA]A3+	[ICRA]A3	[ICRA]A3	[ICRA]A3

## Complexity level of the rated instrument

Instrument	Complexity Indicator
Fund-based- EPC/CC/Others	Simple
Fund-based-Term Loan	Simple
Non-fund Based- LC/BG	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: [www.icra.in](http://www.icra.in)

**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	Fund Based - EPC/CC/Others	NA	NA	NA	200.00	[ICRA]BBB (Stable); Withdrawn
NA	Term Loan- 1	FY2017	11.35%	FY2022	40.00	[ICRA]BBB (Stable); Withdrawn
NA	Term Loan- 2	FY2018	11.50%	FY2024	22.50	[ICRA]BBB (Stable); Withdrawn
NA	Term Loan- 3	FY2019	10.10%	FY2024	25.00	[ICRA]BBB (Stable); Withdrawn
NA	Term Loan- 4	FY2021	9.25%	FY2026	18.00	[ICRA]BBB (Stable); Withdrawn
NA	Non-Fund Based-LC/BG	NA	NA	NA	930.20	[ICRA]A3+; Withdrawn

Source: Company

**Annexure-2: List of entities considered for consolidated analysis**

Company Name	Ownership	Date of Issuance / Sanction
Maurigo Pte. Ltd.	100.00%	Full Consolidation
Riya International Pte. Ltd.	Step-down subsidiary	Full Consolidation

## ANALYST CONTACTS

**Sabyasachi Majumdar**  
+91 124 4545304  
[sabyasachi@icraindia.com](mailto:sabyasachi@icraindia.com)

**Girishkumar Kadam**  
+91 22 6114 3441  
[girishkumar@icraindia.com](mailto:girishkumar@icraindia.com)

**Sanket Thakkar**  
+91 79 4027 1528  
[sanket.thakkar@icraindia.com](mailto:sanket.thakkar@icraindia.com)

**Preet Ludhwani**  
+91 79 4027 1542  
[preet.ludhwani@icraindia.com](mailto:preet.ludhwani@icraindia.com)

## RELATIONSHIP CONTACT

**Jayanta Chatterjee**  
+91 80 4332 6401  
[jayantac@icraindia.com](mailto:jayantac@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**  
Tel: +91 124 4545 860  
[communications@icraindia.com](mailto:communications@icraindia.com)

## Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

[info@icraindia.com](mailto:info@icraindia.com)

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## ICRA Limited



### Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



### Branches



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