January 21, 2022

Gokul Refoils & Solvent Limited: Rating Withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term/Short-term (Proposed)	50.00	50.00	[ICRA]BBB(Stable)/[ICRA]A3+; Withdrawn
Total	**50.00**	**50.00**	

*Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **Gokul Refoils and Solvent Limited** based client's request and in accordance with ICRA's policy on withdrawal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Rating Drivers, Liquidity Position, Rating Sensitivities, have not been captured as the related instruments are being withdrawn.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	ICRA Policy on Withdrawal and Suspension of Credit Ratings Corporate Credit Rating Methodology Rating Methodology for Entities in the Edible Oil Industry(Solvent Extraction)
Parent/Group Support	Not Applicable
Consolidation/Standalone	Not Applicable

About the company

GRSL was promoted by Mr. Balvantsinh Rajput and Mr. Kanubhai Thakkar 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. After its incorporation, the company set up an oil refinery at Sidhpur, in Gujarat. Over the years, it expanded its refining capacity and also set up crushing and extraction facilities at different locations. The promoters set up a castor oil refinery and castor oil derivatives manufacturing facility under Gokul Overseas (GO) in 1995. GRSL de-merged its Gandhidham unit into Gokul Agro Resources Limited (GARL) and transferred its Sidhpur unit to a wholly-owned subsidiary viz. Gokul Agri International Limited (Gokul Agri), while the Haldia unit remained under GRSL. The de-merger received the approval and sanction from the Gujarat High Court with the effective date being July 01, 2015. Furthermore, in FY2018, the company sold its Haldia unit in an all-cash deal to Adani Wilmar Limited. At present, GRSL operates its sole unit at Sidhpur (operating under Gokul Agri).

GRSL, Gokul Agri and GO is managed by Mr. Balvantsinh Rajput, while GARL operates under the management of Mr. Kanubhai Thakkar

Key financial indicators

	FY 2019	FY 2020
Operating Income (Rs. crore)	2262.00	2232.00
PAT (Rs. crore)	26.00	33.00
OPBDIT/OI (%)	3.05%	3.34%
RoCE (%)	11.69%	12.79%
Total Outside Liabilities/Tangible Net Worth (times)	1.40	1.20
Total Debt/OPBDIT (times)	5.10	4.18
Interest Coverage (times)	1.77	2.05
DSCR (times)	1.89	2.27

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 21, 2022	November 13,2020	October 04, 2019	July 06,2018
1	Long-term/Short-term (Proposed)	Long-term/Short-term	50.00	-	[ICRA]BBB (Stable)/ [ICRA]A3+; Withdrawn	[ICRA]BBB (Stable)/ [ICRA]A3+	[ICRA]BBB (Stable)/ [ICRA]A3+	[ICRA]BBB (Stable) /[ICRA]A3+

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term/Short-term (Proposed)	NA

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

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	Based/Non Fund Based (Proposed)	NA	NA	NA	50.00	[ICRA]BBB(Stable)/ [ICRA]A3+; Withdrawn

Source: Company

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership	Date of Issuance / Sanction
Gokul Refoils & Solvent Limited	Holding Company	Full Consolidation
Gokul Agri International Limited	100%	Full Consolidation

Source: Gokul Refoils & Solvent Limited

ANALYST CONTACTS

Sabyasachi Majumdar
+91 124 4545304
sabyasachi@icraindia.com

Girishkumar Kadam
+91 22 6114 3441
girishkumar@icraindia.com

Sanket Thakkar
+91 79 4027 1528
sanket.thakkar@icraindia.com

Preet Ludhwani
+91 79 4027 1542
preet.ludhwani@icraindia.com

RELATIONSHIP CONTACT

Jayanta Chatterjee
+91 80 4332 6401
jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

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

info@icraindia.com

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.

For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches