# Hemang Resources Limited

August 09, 2018

## Summary of Rated Instrument:

| Instrument | Previous Rated Amount (Rs. crore) | Current Rated Amount (Rs. crore) | Rating Action |
|---|---|---|---|
| Long-term fund-based bank facilities | 12.00 | 12.00 | [ICRA]D ISSUER NOT COOPERATING*;Rating moved to the 'Issuer Not Cooperating' category |
| Long-term non-fund-based bank facilities | 6.28 | 6.28 | [ICRA]D ISSUER NOT COOPERATING*;Rating moved to the 'Issuer Not Cooperating' category |
| Short-term non-fund-based bank facilities | 77.00 | 77.00 | [ICRA]D ISSUER NOT COOPERATING*;Rating moved to the 'Issuer Not Cooperating' category |
| Short-term unallocated | 104.72 | 104.72 | [ICRA]D ISSUER NOT COOPERATING*;Rating moved to the 'Issuer Not Cooperating' category |
| **Total** | **200.00** | **200.00** | |

*Issuer did not co-operate; based on best available information.

## Rationale

ICRA has moved the rating for the bank facilities of Hemang Resources Limited (HRL) to the 'Issuer Not Cooperating' category. The rating is now denoted as "[ICRA]D ISSUER NOT COOPERATING".

The rating takes into account continued delays in debt servicing by the entity. As part of its process and in accordance with its rating agreement with Hemang Resources Limited, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Also, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite cooperation, and in line with SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA's Rating Committee has taken a rating view based on the best available information.

## Analytical approach

ICRA has applied its rating methodologies/policies as indicated below**:**

## Links to applicable criteria:

Policy in respect of non-cooperation by the rated entity
Policy on Default Recognition

## About the company:

HRL (erstwhile Bhatia Industries and Infrastructure Limited) is promoted by the Bhatia Group of Indore, and is involved in coal trading, wherein coal is imported from coalfields in Indonesia and South Africa and is sold to domestic companies. It was initially incorporated as BCC Finance Limited and was involved in asset financing business. Subsequently in the year FY2007, it surrendered its NBFC certificate and changed the name to Bhatia Industries and Infrastructure Limited before being renamed HRL from March 2015 onwards. Since then, the company has been trading in coal as the main commodity, apart from commodities such as sand and soybean (which is now discontinued). Within the Bhatia Group, HRL is vested with the 'stock and sale' business with focus on catering to small corporate entities and dealers.

**The previous detailed rating rationale is available on the following link:** Click here

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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.

For more information, visit www.icra.in

## ICRA Limited

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