

March 21, 2024

Safi Steel Traders Private Limited: Ratings moved to Issuer Non Cooperating Category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Working Capital Facilities	89.0	89.0	ICRA]BB (Stable) ISSUER NOT COOPERATING*; rating moved to Issuer Not Cooperating Category
Long term – Fund based – Term Loan	23.34	23.34	ICRA]BB (Stable) ISSUER NOT COOPERATING*; rating moved to Issuer Not Cooperating Category
Short term – Non fund based facilities	5.00	5.00	[ICRA]A4+ ISSUER NOT COOPERATING*; rating moved to Issuer Not Cooperating Category
Long term - unallocated	0.71	0.71	ICRA]BB (Stable) ISSUER NOT COOPERATING*; rating moved to Issuer Not Cooperating Category
Total	118.05	118.05	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has moved the ratings of Safi Steel Traders Private Limited to the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]BB (Stable)/[ICRA]A4+ ISSUER NOT COOPERATING".

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 repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity. The rating action has been taken in accordance with ICRA's policy in respect of non-cooperation by a rated entity available at www.icra.in.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Key financial indicators, Liquidity position, Rating sensitivities: [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	Corporate Credit Rating Methodology Policy in respect of non-cooperation by the rated entity
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

About the company

Safi Traders, promoted by M. Safi Mohamed, was incorporated as a proprietorship business in the 1990s. It was converted into a partnership firm in 1998 owing to the expansion in business. Further, the firm was converted into a private limited company in the name of “Safi Steel Traders Private Limited” in November 2021. It is involved in the wholesale and retail trading of iron and steel products used in the construction industry. The major products traded include TMT bars, steel coils, steel pipes, steel tubes, sheets, plates, light and heavy structural steels etc.

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
CRISIL	Issuer not cooperating, based on best-available information; Rating continues to be ‘CRISIL B+/Stable Issuer not cooperating	March 23, 2023
India Ratings & Research	IND BB (ISSUER NOT COOPERATING)/IND A4+ (ISSUER NOT COOPERATING)	Sept 12, 2023

Any other information: None

Rating history for past three years

Instrument	Type	Current rating (FY2024)		Chronology of rating history for the past 3 years			
		Amount rated (Rs. crore)	Amount outstanding as on Dec 31, 2022 (Rs. crore)	Date & rating in FY2024	Date & rating in FY2023	Date & rating in FY2022	Date & rating in FY2021
				March 21, 2024	March 02, 2023	Feb 11, 2022	Nov 17, 2020
1	Working Capital Facilities	Long term	89.0	-	[ICRA]BB (Stable) ISSUER NOT COOPERATING	[ICRA]BB (Stable)	[ICRA]BB (Stable)
2	Working Capital Facilities– Cash Credit (EDFS)	Short term	0.0	-	-	[ICRA]A4+	[ICRA]A4+
3	Fund based – Term Loan	Long term	23.34	23.34	[ICRA]BB (Stable) ISSUER NOT COOPERATING	[ICRA]BB (Stable)	-
4	Non fund based facilities	Short term	5.00	-	[ICRA]A4+ ISSUER NOT COOPERATING	[ICRA]A4+	-
5	Unallocated	Long term	0.71	-	[ICRA]BB(Stable) ISSUER NOT COOPERATING	[ICRA]BB (Stable)	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Working capital Facilities	Simple
Term loan	Simple
Non-fund based facilities - Letter of Credit	Very Simple
Unallocated limits	Not Applicable

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 are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
-	Cash Credit	-	-	-	40.0	[ICRA]BB (Stable) ISSUER NOT COOPERATING
-	Cash Credit - EDFs	-	-	-	49.0	[ICRA]BB (Stable) ISSUER NOT COOPERATING
-	Term Loans	FY2018 – FY2022	7.95-10.0%	FY2023-FY2028	23.34	[ICRA]BB (Stable) ISSUER NOT COOPERATING
-	Letter of Credit	-	-	-	5.0	[ICRA]A4+ ISSUER NOT COOPERATING
-	Unallocated	-	-	-	0.71	[ICRA]BB (Stable) ISSUER NOT COOPERATING

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: 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.

For more information, visit www.icra.in

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