

October 24, 2024

IMI Abrasives (P) Ltd.: 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 / Short Term-Unallocated	2.80	2.80	[ICRA]B+(Stable); ISSUER NOT COOPERATING /[ICRA]A4; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Short Term-Interchangeable- Others*	(2.00)	(2.00)	[ICRA]A4; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Long Term-Fund Based-Cash Credit	7.20	7.20	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Total	10.00	10.00	

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

[^]Instrument details are provided in Annexure-1

^{*}Sublimit of cash Credit

Rationale

ICRA has kept the long-term and short-term ratings for the bank facilities of IMI Abrasives (P) Ltd. in the 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]B+(Stable); ISSUER NOT COOPERATING /[ICRA]A4; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with IMI Abrasives (P) Ltd., 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 the Key rating drivers and their description, 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	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Iron & Steel
Parent/Group Support	Not Applicable
Consolidation/Standalone	Standalone

About the company

Incorporated in 1991, IMI Abrasives (P) Ltd. (IMI) manufactures steel shots/grits and ferro manganese with an annual production capacity of 6,000 MT (metric tonne) and 2,000 MT, respectively. The manufacturing facilities of IMI are located at Urla in Raipur district, Chhattisgarh. The products manufactured by IMI find applications in industries like, foundry, ship 3 buildings, railways, steel etc. The company is promoted by Mr. S.K. Mundhra, who has an experience of more than two decades in this line of business.

Key financial indicators:

	FY2022 (in crore)	FY2023 (in crore)
Operating income	64.65	61.85
PAT	4.40	3.92
OPBDIT/OI	9.90%	9.70%
PAT/OI	6.80%	6.30%
Total outside liabilities/Tangible net worth (times)	0.44	0.21
Total debt/OPBDIT (times)	0.16	0.21
Interest coverage (times)	22.80	20.78

Source: MCA

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
CRISIL	CRISIL B(Stable); ISSUER NOT COOPERATING	September 16, 2024

Any other information: Not Applicable

Rating history for past three years

	Instrument	Current Rating (FY2025)			Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2021	
				24-Oct-2024	20-Jul-2023	21-Apr-2022	11-Feb-2021	
1	Unallocated	Long Term/Short Term	2.80	[ICRA]B+(Stable); ISSUER NOT COOPERATING / [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+(Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+(Stable)/[ICRA] A4; ISSUER NOT COOPERATING	[ICRA]B+(Stable)/[ICRA] A4; ISSUER NOT COOPERATING	
2	Interchangeable- Others*	Short Term	(2.00)	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	
3	Fund Based-Cash Credit	Long Term	7.20	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	

*Sublimit of cash Credit

Complexity level of the rated instrument

Instrument	Complexity Indicator
Unallocated	Not Applicable
Interchangeable- Others	Very Simple
Fund Based-Cash Credit	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	Unallocated	-	-	-	2.80	[ICRA]B+(Stable); ISSUER NOT COOPERATING /[ICRA]A4; ISSUER NOT COOPERATING
NA	Interchangeable- Others*	-	-	-	(2.00)	[ICRA]A4; ISSUER NOT COOPERATING
NA	Fund Based-Cash Credit	-	-	-	7.20	[ICRA]B+(Stable); ISSUER NOT COOPERATING

*Sublimit of cash Credit

Source: IMI Abrasives (P) Ltd.

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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Branches



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