

November 25, 2020

NBM Iron and Steel Trading Private Limited: Ratings Withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non fund-based limits	49.98	49.98	[ICRA]A4; ISSUER NOT COOPERATING; Withdrawn
Unallocated limits	19.38	19.38	[ICRA]B+ (Stable) ISSUER NOT COOPERATING; Withdrawn
Long-term/ Short term non fund based limits	(49.00)	(49.00)	[ICRA]B+(Stable)/A4 ISSUER NOT COOPERATING; Withdrawn
Total	69.36	69.36	

*Instrument details are provided in Annexure-1

Rationale

The long-term and short-term ratings assigned to NBM Iron and Steel Trading Private Limited have been withdrawn at the request of the company and based on the No Objection Certificate received from the banker, and in accordance with ICRA's policy on withdrawal and suspension. ICRA is withdrawing the rating and it does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

Key rating drivers and their description

Key rating drivers have not been captured as the rating is being withdrawn.

Liquidity position

Not captured as the rating is being withdrawn.

Rating sensitivities

Not captured as the rating is being withdrawn.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology ICRA Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

NBM Iron & Steel Trading Private Limited ('NBM' or 'the company') was originally incorporated in August 1997 as Hussain Sheth Ship Breakers Private Limited, in Bhavnagar. After temporarily suspending ship-breaking activities, the company was renamed as NBM Iron and Steel Trading Private Limited in 2005 and resumed ship-breaking activities in

2009. Presently, NBM operates from Plot No. 61 (2,178 square metres) at Alang-Sosiya Ship breaking Yard, Bhavnagar on a lease basis from Gujarat Maritime Board (GMB). NBM procures ships from the international market for the purpose of ship-breaking, recycling and selling the scrap in the domestic market.

The previous detailed rating rationale is available at the following link: [click here](#)

Key financial Indicators:

	FY2018	FY2019
Operating Income (Rs. crore)	91.16	113.50
OPBDIT (Rs. crore)	3.88	6.92
OPBDIT/ OI (%)	4.25%	6.10%
PAT/OI (%)	2.12%	3.21%
Total Debt/ TNW (times)	0.76	0.11
Net Worth	9.23	17.88
NCA/Debt	31%	196%

*Source: MCA

Status of non-cooperation with previous CRA:

Not Applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2021)				Rating History for the Past 3 Years			
		Type	Amount Rated	Amount Outstanding	Rating	FY2020	FY2019		FY2018
					November 25, 2020	January 22, 2020	October 29, 2018	July 16, 2018	April 07, 2017
1	Credit Exposure Limit	Short Term	49.98	-	[ICRA]A4 ISSUER NOT COOPERATING; Withdrawn	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA] A4; ISSUER NON-COOPERATION	[ICRA] A4
2	Unallocated limits	Long Term	19.38	-	[ICRA]B+ (Stable) ISSUER NOT COOPERATING; Withdrawn	[ICRA]B+ (Stable) ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NON-COOPERATION	[ICRA]B+ (Stable)
3	Letter of Credit	Long/Short Term	(49.00)	-	[ICRA]B+(Stable)/A4 ISSUER NOT COOPERATING; Withdrawn	[ICRA]B+(Stable)/A4 ISSUER NOT COOPERATING	[ICRA]B+ (Stable)/ A4; ISSUER NOT COOPERATING	-	-

Amount in Rs. Crore

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Credit Exposure Limit	NA	NA	NA	49.98	[ICRA]A4 ISSUER NOT COOPERATING; Withdrawn
NA	Unallocated limits	NA	NA	NA	19.38	[ICRA]B+ (Stable) ISSUER NOT COOPERATING; Withdrawn
NA	Letter of Credit	NA	NA	NA	(49.00)	[ICRA]B+(Stable)/A4 ISSUER NOT COOPERATING; Withdrawn

Source: NBM Iron and Steel Trading Private Limited

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

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