

February 11, 2020

Hindusthan Calcined Metals Private Limited: Continues to remain under Non-Cooperating category

Summary of Rated Instrument:

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term - Fund Based/ CC	8.00	8.00	[ICRA]B- (Stable) ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term - Fund Based	4.00	4.00	[ICRA]A4 ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	12.00	12.00	

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

Rationale

The rating for the Rs. 12.00 crore bank facilities of Hindusthan Calcined Metals Private Limited continues to remain under 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B- (Stable)/[ICRA]A4 ISSUER NOT COOPERATING"

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. The current rating action has been taken by ICRA basis best 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.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/Group Support	Not applicable
Consolidation / Standalone	Standalone

About the company:

Hindusthan Calcined Metals Private Limited (HCMPL) was incorporated in the year 2003 and is engaged in the manufacturing of sponge iron. The company is promoted by Mr S.K Modi and his family members. The manufacturing unit is located in Bellary district of Karnataka with an installed capacity of 200 MT per day. Other group companies of HCMPL are involved in mining and related businesses.

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

Key financial indicators:

	FY2018 (Audited)	FY2019 (Audited)
Operating Income (Rs. crore)	92.0	123.7
PAT (Rs. crore)	3.0	4.4
OPBDITA/OI (%)	5.9%	6.0%
RoCE (%)	27.1%	33.9%
Total Outside Liabilities/Tangible Net Worth (times)	1.3	0.6
Total Debt/OPBDITA (times)	0.01	1.0
Interest Coverage (times)	5.8	8.6
DSCR	5.2	6.8

Source: MCA Site

Rating history for past three years

All figures in Rs. Crore

	Instrument	Rating (FY2020)			Rating History for the Past 3 Years			
		Type	Amount Rated	Amount Outstanding	Current Rating	FY2019	FY2018	FY2017
					11-Feb-20	28-Nov-18	18-May-17	-
1	Cash Credit	Long Term	8.00	-	[ICRA]B- (Stable) ISSUER NOT COOPERATING	[ICRA]B- (Stable) ISSUER NOT COOPERATING	[ICRA]B- (Stable) ISSUER NOT COOPERATING	-
2	Letter of Credit	Short Term	4.00	-	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	-

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About ICRA Limited:

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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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