

December 22, 2021

Sacheta Metals Limited: 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, Fund based limits	1.00	1.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term, Fund based limits	10.00	10.00	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short term, Non-fund based limits	6.20	6.20	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short term, Interchangeable	(10.00)	(10.00)	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	17.20	17.20	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has retained the ratings for the bank facilities of Sacheta Metals Limited in the '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 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, Liquidity position, Rating sensitivities, Key financial indicators: [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
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Incorporated in 1990 and promoted by Mr. Satish Shah, Sacheta Metals Limited (SML) is engaged in the manufacturing of aluminium sheets, coils, foils and aluminium utensils. The company's registered office and manufacturing unit are at Talod in Gujarat, with a total installed production capacity of 5,400 MTPA of aluminium sheets and 1,800 MTPA of aluminium utensils.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current Rating (FY2022)				Chronology of Rating History for the past 3 years			
	Type	Amount Rated (Rs. crore)	Amount Outstanding as of (Rs. crore)	Date & Rating in	Date & Rating in FY2021	Date & Rating in FY2020	Date & Rating in FY2019	
				Dec 22, 2021	Oct 15, 2020	Apr 05, 2019	Feb 28, 2019	
1 Demand Cash Credit	Long Term	1.00	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB (Stable); 'ISSUER NOT COOPERATING'	[ICRA]BB (Stable); 'ISSUER NOT COOPERATING'	
2 EPC/PCFC	Short Term	10.00	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4+; 'ISSUER NOT COOPERATING'	[ICRA]A4+; 'ISSUER NOT COOPERATING'	
3 EBD*	Short Term	(10.00)	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4+; 'ISSUER NOT COOPERATING'	[ICRA]A4+; 'ISSUER NOT COOPERATING'	
4 Letter of Credit	Short Term	6.00	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4+; 'ISSUER NOT COOPERATING'	[ICRA]A4+; 'ISSUER NOT COOPERATING'	
5 Forward exchange contract	Short Term	0.20	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4+; 'ISSUER NOT COOPERATING'	[ICRA]A4+; 'ISSUER NOT COOPERATING'	

Complexity level of the rated instrument

Instruments	Complexity Indicator
Demand Cash Credit	Simple
EPC/PCFC	Very Simple
EBD*	Very Simple
Letter of Credit	Very Simple
Forward exchange contract	Very 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 analyzing 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: www.icra.in

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	Demand Cash Credit	NA	NA	NA	1.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	EPC/PCFC	NA	NA	NA	10.00	[ICRA]A4; ISSUER NOT COOPERATING
NA	EBD*	NA	NA	NA	(10.00)	[ICRA]A4; ISSUER NOT COOPERATING
NA	Letter of Credit	NA	NA	NA	6.00	[ICRA]A4; ISSUER NOT COOPERATING
NA	Forward exchange contract	NA	NA	NA	0.20	[ICRA]A4; ISSUER NOT COOPERATING

Source: Sacheta Metals Limited

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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