

January 14, 2020

Ferromet Steels Private Limited: Continues to remain under Issuer Non-Cooperating category

Summary of Rated Instrument:

Instruments	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Cash Credit	25.00	25.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under ‘Issuer Not Cooperating’ category
Long-term – Term Loan	3.55	3.55	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under ‘Issuer Not Cooperating’ category
Long-term- ILG	0.50	0.50	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under ‘Issuer Not Cooperating’ category
Short-term- FLC/ILC	4.00	4.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under ‘Issuer Not Cooperating’ category
Short-term- Interchangeable	(4.00)	(4.00)	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under ‘Issuer Not Cooperating’ category
Total	33.05	33.05	

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

Rationale

The ratings for the Rs.33.05-crore bank facilities of Ferromet Steels Private Limited (FSPL) Continues to remain under ‘Issuer Not Cooperating’ category’. The ratings are denoted as “[ICRA]D/[ICRA]D ISSUER NOT COOPERATING” (pronounced ICRA D 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.

Analytical approach

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

About the company:

Ferromet Steels Private Limited (FSPL) is engaged in the manufacturing of structural steel products such as Mild Steel (MS) Flat, MS Angle, MS Round, MS Square, MS Channels. The company started its manufacturing operations with a capacity of 19,200 TPA in 2008 and later added additional capacity by setting up another rolling mill with a capacity of 21,600 TPA, which commenced operations during April 2012 (total installed capacity of 40,800 TPA). Apart from manufacturing structural steels, FSPL also engages in trading of structural steels to cater to customer orders, which are not produced in house. FSPL was initially incorporated under the name of S. R. M. C. Exports Limited in the year 1995 and was subsequently renamed in 2008. FSPL is promoted and managed by Mr. Manmohan Mittal and Mr. Ashok Kumar Goel, current directors of the company.

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

Key financial: Not Applicable

Rating history for past three years

S. No.	Instrument	Current Rating (FY2020)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating	Date & Rating in FY2019	Date & Rating in FY2018	Date & Rating in FY2017
					14-Jan-2020			
1	Cash Credit	Long Term	25.00	-	[ICRA]D; ISSUER NOT COOPERATING	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
2	Term Loan	Long Term	3.55	-	[ICRA]D; ISSUER NOT COOPERATING	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
3	ILG	Long Term	0.50	-	[ICRA]D; ISSUER NOT COOPERATING	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
4	FLC/ILC	Short Term	4.00	-	[ICRA]D; ISSUER NOT COOPERATING	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
5	Interchangeable	Short Term	(4.00)	-	[ICRA]D; ISSUER NOT COOPERATING	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING

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

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