

Firozabad Ceramics Private Limited

March 02, 2021

Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	13.63	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	2.50	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating moved to ISSUER NOT COOPERATING category
Total Facilities	16.13 (Rs. Sixteen Crore and Thirteen Lakhs Only)		

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has been seeking information from Firozabad Ceramics Private Limited to monitor the ratings vide e-mail communications/ letters dated December 01, 2020, December 09, 2020, February 12, 2021, February 15, 2021, February 19, 2021 and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating. The rating on Firozabad Ceramics Private Limited bank facilities will now be denoted as **CARE D; ISSUER NOT COOPERATING***.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The rating takes into account non-availability of requisite information and no due-diligence conducted due to non-cooperation by Firozabad Ceramics Private Limited with CARE'S efforts to undertake a review of the rating outstanding. CARE views information availability risk as a key factor in its assessment of credit risk.

Detailed description of the key rating drivers

Key Rating Weaknesses

Delays in servicing of debt obligation

There had been delays in servicing of its debt obligations. The account had been classified as NPA, according to the banker feedback.

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Financial ratios – Non-Financial Sector](#)

[Criteria for Short Term Instruments](#)

[CARE's Policy on Default Recognition](#)

[CARE's methodology for manufacturing companies](#)

[Liquidity Analysis of Non-Financial Sector Entities](#)

About the Company

FCPL is engaged in the manufacturing of glass containers and tableware. The manufacturing facility of the company is located at Firozabad, Uttar Pradesh having an installed capacity of 100 tonnes of containers per day as on December 31, 2019. The products manufactured are supplied to various companies and dealers based PAN India. Its customers include Glassex India Private Limited, Gel Pharmaceuticals Private Limited etc.

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications

*Issuer did not cooperate; Based on best available information

The major raw materials required are fresh sand and other chemicals etc which the company procures from Rajasthan, Gujarat. Some of its suppliers include GAIL India Private Limited, GSEL etc. The company is having three associate concerns namely; "Anand Glass Works(AGW)", "Eagle Glass Deco Private Limited" and "Raju Decorators". AGW is engaged in the manufacturing of glass containers. The latter two are engaged in trading of glass ware etc.

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)
Total operating income	31.02	45.05
PBILDT	4.31	3.84
PAT	0.45	0.48
Overall gearing (times)	1.32	0.98
Interest coverage (times)	1.73	1.74

Status of non-cooperation with previous CRA: SMERA Ratings has conducted the review and has placed the rating to Issuer not cooperating as per press release dated August 21, 2020.

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	10.50	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	-	3.13	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit	-	-	-	2.50	CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Fund-based - LT-Cash Credit	LT	10.50	CARE D; ISSUER NOT COOPERATING*	1)CARE D (17-Jul-20)	1)CARE B+; Stable (20-Jan-20)	-	-
2.	Fund-based - LT-Term Loan	LT	3.13	CARE D; ISSUER NOT COOPERATING*	1)CARE D (17-Jul-20)	1)CARE B+; Stable (20-Jan-20)	-	-
3.	Non-fund-based - ST-Letter of credit	ST	2.50	CARE D; ISSUER NOT COOPERATING*	1)CARE D (17-Jul-20)	1)CARE A4 (20-Jan-20)	-	-

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable

Annexure 4: Complexity level of various instruments rated for this Company

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Cash Credit	Simple
2.	Fund-based - LT-Term Loan	Simple
3.	Non-fund-based - ST-Letter of credit	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

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