

T. R. Chemicals Limited
 May 03, 2021

Rating

Facilities / Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	16.40	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	1.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Facilities	17.40 (Rs. Seventeen Crore and Forty Lakhs Only)		

*Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has been seeking information from T. R. Chemicals Limited (TRCL) to monitor the rating vide e-mail communications/letters dated April 13, 2021, April 15, 2021, April 19, 2021 and numerous phone calls. However, despite our repeated requests, the entity has not provided the requisite information for monitoring the rating. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the publicly available information which, however, in CARE's opinion is not sufficient to arrive at a fair rating. The rating on TRCL's bank facilities will now be denoted as **CARE D; ISSUER NOT COOPERATING**. Further, the banker could not be contacted.

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

Detailed description of the key rating drivers**Key Rating Weaknesses****Delays in the past**

There were instances of delays in the account in the past.

Analytical approach: Standalone.

Applicable Criteria**Policy in respect of Non-cooperation by issuer****CARE's Policy on Default Recognition****Financial ratios – Non-Financial Sector****Criteria for Short Term Instruments****About the Entity**

T. R. Chemicals Limited was incorporated in May 1993 as a Private Limited Company. Subsequently, it was reconstituted as a closely held Public Limited Company. Since its inception, the company is engaged in manufacturing of sponge iron. The manufacturing unit of the company is located at Rajgangpur, Sundargarh, Odisha. Company's plant has an installed capacity of 45000 tons per annum (TPA). Mr. Sanjeev Kumar Kapoor (Director), Mr. Gurdas Kapoor (Director), Mr. Sunil Kumar Agarwal (Director) and Mr. Swapan Kumar Kapat (Directors) who have 21 years, 21 years, 16 years and 11 years of experiences, respectively, in the similar line of business, look after the day to day operation of the company. They are further supported by a team of experienced professionals

Brief Financials (Rs. crore)	FY19 (A)	FY20 (A)
Total operating income	81.77	71.78
PBILD	8.40	8.80
PAT	1.59	3.62
Overall gearing (times)	-28.91	5.50
Interest coverage (times)	3.54	3.62

A: Audited

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

Status of non-cooperation with previous CRA: Nil.

Any other information: Not Applicable.

Detailed explanation of covenants of the rated facilities: Annexure-3

Complexity level of various instruments rated for this Entity: Annexure-4

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	-	-	-	9.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	Sept.2023	7.40	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantees	-	-	-	0.50	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit	-	-	-	0.50	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 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1.	Fund-based - LT-Cash Credit	LT	9.00	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (28-Feb-20)	1)CARE D (31-Jan-19)
2.	Fund-based - LT-Term Loan	LT	7.40	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (28-Feb-20)	1)CARE D (31-Jan-19)
3.	Non-fund-based - ST-Bank Guarantees	ST	0.50	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (28-Feb-20)	1)CARE D (31-Jan-19)
4.	Non-fund-based - ST-Letter of credit	ST	0.50	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (28-Feb-20)	1)CARE D (31-Jan-19)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of the rated 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-Bank Guarantees	Simple
4.	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.

Contact us

Media Contact

Mradul Mishra

Contact no.: +91-22-6837 4424

 Email ID: mradul.mishra@careratings.com
Analyst Contact:

Name: Soumen Das

Contact No.: 033-40581907

 Email: soumen.das@careratings.com
Relationship Contact

Name: Sambit Das

Contact no. : 033 4058 1904

 Email ID: sambit.das@careratings.com
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.

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