

Hyderabad Steels

October 23, 2024

| Facilities/Instruments | Amount (₹ crore) | Rating ¹ | Rating Action |
|----------------------------|------------------|---|--|
| Long Term Bank Facilities | 4.00 | CARE C; Stable; ISSUER NOT COOPERATING* | Rating continues to remain under ISSUER NOT COOPERATING category |
| Short Term Bank Facilities | 3.50 | CARE A4; ISSUER NOT COOPERATING* | Rating continues to remain under ISSUER NOT COOPERATING category |

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated September 28, 2023, placed the rating(s) of Hyderabad Steels (HS) under the 'issuer non-cooperating' category as HS had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. HS continues to be non-cooperative despite repeated requests for submission of information through e-mails dated August 13, 2024, August 23, 2024 and September 02, 2024 among others.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

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

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [September 28, 2023](#)

Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on Default Recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Firm

Hyderabad Steels (HS) was founded in 2008 as a proprietorship and was later reconstituted as a partnership firm during 2015. The firm is engaged in the trading of steel and iron products such as Mild Steel (MS) Ingots, Billets, MS Bars, MS Angles, MS Flats, Scrap, Sponge Iron etc. The partners of the firm Ms. J. Raghavi Reddy and Mr. M. Pavan Kumar are having 25 years of experience in iron and steel trading business. The firm has its warehouse facility at Nacharam, Hyderabad. HS clientele mostly consist of steel dealers in Hyderabad.

Status of non-cooperation with previous CRA: ICRA has continued the rating assigned to the bank facilities of HS into Issuer Not Cooperating category vide press release dated October 04, 2024 on account of its inability to carry out a review in the absence of the requisite information from the firm.

Any other information: Not Applicable

Rating History for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

¹Complete definition of ratings assigned are available at www.careedge.in and other CARE Ratings Limited's publications.

Annexure-1: Details of instruments/facilities

| Name of the Instrument | ISIN | Date of Issuance (DD-MM-YYYY) | Coupon Rate (%) | Maturity Date (DD-MM-YYYY) | Size of the Issue (₹ crore) | Rating Assigned and Rating Outlook |
|--------------------------------------|------|-------------------------------|-----------------|----------------------------|-----------------------------|---|
| Fund-based - LT-Cash Credit | | - | - | - | 4.00 | CARE C; Stable; ISSUER NOT COOPERATING* |
| Non-fund-based - ST-Letter of credit | | - | - | - | 3.50 | CARE A4; ISSUER NOT COOPERATING* |

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

Annexure-2: Rating history for last three years

| Sr. No. | Name of the Instrument/ Bank Facilities | Current Ratings | | | Rating History | | | |
|---------|---|-----------------|------------------------------|---|---|---|---|---|
| | | Type | Amount Outstanding (₹ crore) | Rating | Date(s) and Rating(s) assigned in 2024-2025 | Date(s) and Rating(s) assigned in 2023-2024 | Date(s) and Rating(s) assigned in 2022-2023 | Date(s) and Rating(s) assigned in 2021-2022 |
| 1 | Non-fund-based - ST-Letter of credit | ST | 3.50 | CARE A4; ISSUER NOT COOPERATING* | - | 1)CARE A4; ISSUER NOT COOPERATING* (28-Sep-23) | 1)CARE A4; ISSUER NOT COOPERATING* (16-Sep-22) | 1)CARE A4; ISSUER NOT COOPERATING* (11-Aug-21) |
| 2 | Fund-based - LT-Cash Credit | LT | 4.00 | CARE C; Stable; ISSUER NOT COOPERATING* | - | 1)CARE C; Stable; ISSUER NOT COOPERATING* (28-Sep-23) | 1)CARE C; Stable; ISSUER NOT COOPERATING* (16-Sep-22) | 1)CARE C; Stable; ISSUER NOT COOPERATING* (11-Aug-21) |

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

LT: Long term; ST: Short term.

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of instruments rated**

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

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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About us:

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Disclaimer:

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