

Bhagat Jee Steels Private Limited

May 03, 2021

Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings	Rating Action
Long Term Bank Facilities	16.15	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	0.57	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	16.72 (Rs. Sixteen Crore and Seventy-Two Lakhs Only)		

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has been seeking information from **Bhagat Jee Steels Private Limited (BJSPL)** to monitor the rating vide e-mail communications/letters dated April 05, 2021, April 12, 2021, April 14, 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 publicly available information which however, in CARE's opinion is not sufficient to arrive at a fair rating. Further, **BJSPL** has not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. The rating on **BJSPL's** bank facilities will now be denoted as **CARE D; ISSUER NOT COOPERATING***. Further due diligence with the banker could not be conducted.

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

Detailed description of the key rating drivers

At the time of last rating in February 07, 2020 the following were the rating strengths and weaknesses (updated the information available from Ministry of Corporate Affairs).

Key Rating Weaknesses

Delay in debt servicing: There are instances of delays in debt servicing of the company.

Analytical approach: Standalone

Applicable Criteria

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

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

About the Company

Bhagat Jee Steels Private Limited (BJSPL) was incorporated on June 14, 2000, promoted by Mr. Rakesh Kumar Agarwal and his family members. Since its inception, BSPL has been engaged in manufacturing of MS ingots, angles, flats, channels, rounds, squares etc. The manufacturing facility of the company is located at industrial area, Durgapur, West Bengal with an installed capacity of 24000metric tonnes per annum (MTPA) for structural steels and 50000 MTPA for MS ingots.

Brief Financials (Rs. crore)	FY19 (A)	FY20 (A)
Total operating income	92.15	79.26
PBILDT	3.91	-2.08
PAT	0.31	-5.33
Overall gearing (times)	-13.59	-2.63
Interest coverage (times)	1.40	-0.87

A= Audited

Status of non-cooperation with previous CRA: Not Applicable.

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	-	-	-	16.15	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit	-	-	-	0.57	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	16.15	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (07-Feb-20)	1)CARE D (15-Mar-19) 2)CARE B; Stable; ISSUER NOT COOPERATING* (11-Dec-18)
2.	Non-fund-based - ST-Letter of credit	ST	0.57	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (07-Feb-20)	1)CARE D (15-Mar-19) 2)CARE A4; ISSUER NOT COOPERATING* (11-Dec-18)

*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 Firm**

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Cash Credit	Simple
2.	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

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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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