

Kamsa Steel Private Limited

December 06, 2021

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	3.00	CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable; (Single B; Outlook: Stable)
Total Bank Facilities	3.00 (Rs. Three Crore Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated December 09, 2020, placed the rating(s) of Kamsa Steel Private Limited (KSPL) under the 'issuer non-cooperating' category as KSPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. KSPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 25, 2021, November 04, 2021, November 14, 2021.

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.

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 ratings assigned to the bank facilities of KSPL have been revised on account of non-availability of requisite information. The ratings also factored in significant decline in scale of operations as well as capital structure during FY20.

Detailed description of the key rating drivers

Please refer to PR dated [December 09, 2020](#)

Analytical approach: Standalone

Applicable Criteria

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

[Policy on default recognition](#)

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

About the Company

Kamsa Steel Private Limited (KSPL) was incorporated in May, 1999 by Mr. Manoj Kumar Sharma and Mr. Pawan Kumar Kadwashra. The company is engaged in manufacturing of MS Ingots with its factory located at Plot No.M-44(P), 4th Phase, Adityapur Industrial area, Gamharia, Jamshedpur – 832108. It has a current installed capacity of 7200 MTPA. Mr. Manoj Kumar Sharma (aged, 43 years) and Mr. Pawan Kumar Kadwashra (aged, 45 years) having more than two decades of experience in the same line of industry, looks after the day to day operations of the company and they are ably supported by a team of team of experienced professionals.

Brief Financials (Rs. crore)	FY19(A)	FY20(A)	FY21(Prov.)
Total operating income	49.02	22.33	NA
PBILDT	1.60	1.02	NA
PAT	0.80	0.14	NA
Overall gearing (times)	0.56	0.70	NA
Interest coverage (times)	4.60	2.57	NA

A: Audited; Prov.: Provisional; NA: Not Available

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

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Disclosure of Interest of Independent/Non-Executive Directors and Managing Director & CEO of CARE: Not applicable

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

Covenants of rated instrument/facility: Annexure-3

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

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	3.00	CARE B-; Stable; 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	3.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (09-Dec-20)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (20-Sep-19)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (10-Jan-19)

*Issuer did not cooperate; Based on best available information

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

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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