

Omsairam Steels and Alloys Private Limited

December 16, 2021

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	50.00	CARE BB; Stable; ISSUER NOT COOPERATING* (Double B; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	60.00	CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	110.00 (Rs. One Hundred Ten Crore Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated January 06, 2021, placed the rating(s) of Omsairam Steels and Alloys Private Limited (OSAPL) under the 'issuer non-cooperating' category as OSAPL 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. OSAPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated November 22, 2021, December 02, 2021, December 12, 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).

Detailed description of the key rating drivers

Please refer to PR dated [January 06, 2021](#)

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

Omsairam Steels & Alloys Private Limited (OSAPL) is engaged in manufacturing of the MS Billets and TMT Bars and has its operations at Jalna. The shareholding of the group is closely held by family members with directors being Mr. Dinesh Bharuka, Mr. Rajendra Bharuka, Mr. Jawaharlal Dembada and Mr. Sanjeev Kumar Kabra. OSAPL was acquired by the Bharuka family in 2006 from Mr. Agarwal. Originally the Bharuka family was involved in steel scrap business for past 40 years.

Brief financials of OSAPL are tabulated below:

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	H1FY22(Prov.)
Total operating income	719.42	NA	NA
PBILDT	21.67	NA	NA
PAT	15.41	NA	NA
Overall gearing (times)	0.64	NA	NA
Interest coverage (times)	3.11	NA	NA

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

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

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

*Issuer did not cooperate; Based on best available information

Covenants of rated instrument/facility: Please refer Annexure 3

Complexity level of various instruments rated for this company: Please refer 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-Working Capital Limits	-	-	-	50.00	CARE BB; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit	-	-	-	50.00	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based-Short Term	-	-	-	10.00	CARE A4; 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-Working Capital Limits	LT	50.00	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (06-Jan-21)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (10-Dec-19)	1)CARE BBB; Stable (22-Mar-19) 2)CARE BBB; Stable (11-May-18)
2	Non-fund-based - ST-Letter of credit	ST	50.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (06-Jan-21)	1)CARE A4; ISSUER NOT COOPERATING* (10-Dec-19)	1)CARE A3 (22-Mar-19) 2)CARE A3 (11-May-18)
3	Non-fund-based-Short Term	ST	10.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (06-Jan-21)	1)CARE A4; ISSUER NOT COOPERATING* (10-Dec-19)	1)CARE A3 (22-Mar-19) 2)CARE A3 (11-May-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 company

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Working Capital Limits	Simple
2	Non-fund-based - ST-Letter of credit	Simple
3	Non-fund-based-Short Term	Simple

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

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About CARE Ratings Limited:

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