

## Omsairam Steels and Alloys Private Limited

May 16, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	50.00	CARE BB; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	60.00	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 March 06, 2023, 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 January 20, 2024, January 30, 2024, February 09, 2024.

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 [March 06, 2023](#)

### Applicable criteria

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

[Policy on default recognition](#)

[Rating 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 (Rs. crore)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	1317.55	1430.88
PBILDT	110.87	118.89
PAT	60.93	62.21
Overall gearing (times)	1.14	1.20
Interest coverage (times)	7.57	4.80

A: Audited; Note: 'the above results are latest financial results available'

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications.

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

**Any other information:** Not Applicable

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

**Covenants of rated instrument/facility:** Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

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

**Lender details:** Annexure 5

#### 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 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 (₹ 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	Fund-based - LT-Working Capital Limits	LT	50.00	CARE BB; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (06-Mar-23)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (16-Dec-21)
2	Non-fund-based - ST-Letter of credit	ST	50.00	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (06-Mar-23)	1)CARE A4; ISSUER NOT COOPERATING* (16-Dec-21)
3	Non-fund-based-Short Term	ST	10.00	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (06-Mar-23)	1)CARE A4; ISSUER NOT COOPERATING* (16-Dec-21)

\*Issuer did not cooperate; Based on best available information

LT: Long term; ST: Short term

**Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities:** Not Applicable

**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the 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

**Annexure-5: Lender details**

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

**Note on complexity levels of the rated instrument:** CARE Ratings 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](mailto:care@careedge.in) for any clarifications.

**Contact us**

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**About us:**

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