

Raj Steel Industries

July 03, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	5.00	CARE D; 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 May 15, 2023, placed the rating(s) of Raj Steel Industries (RSI) under the 'issuer non-cooperating' category as RSI 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. RSI continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 30, 2024, April 09, 2024, April 19, 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: Not applicable

Detailed description of the key rating drivers:

Please refer to PR dated [May 15, 2023](#)

Applicable criteria

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

[Policy on default recognition](#)

About the Firm

Raj Steel Industries (RSI) was established in 1984 as a partnership firm by Mr. Raj Kumar (aged 55 years), Mr. Anil Kumar (aged 47 years) and Mr. Sunny Kapoor (aged 32 years). The firm is engaged in the manufacturing and trading of steel products with its manufacturing facilities located at Ludhiana, Punjab. The finished products include H.R Shuttering, H.R pipe, steel box, almirah etc. The raw material, mainly steel is procured from reputed suppliers as Steel Authority of India Limited (SAIL), the firm signs MOU with same on yearly basis which is later on renewed as per the need. The finished goods are sold to dealers and wholesalers in Punjab, Chandigarh and J&K. RSI has another group concern viz. Raj Ispat Udyog (RIU), established in 1988 and engaged in trading of steel items.

Brief Financials (Rs. crore)	March 31, 2014 (A)	March 31, 2015 (Prov.)
Total operating income	26.47	29.82
PBILDT	1.69	1.47
PAT	0.21	1.76
Overall gearing (times)	8.20	4.00
Interest coverage (times)	1.46	1.25

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

Status of non-cooperation with previous CRA: Brickwork has continued the rating assigned to the bank facilities of RSI into ISSUER NOT COOPERATING category vide press release dated May 13, 2024 on account of its inability to carry out a review in the absence of requisite information from the firm.

Any other information: Not applicable

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

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

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

Complexity level of various instruments rated: 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-Cash Credit		-	-	-	5.00	CARE D; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for the 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-Cash Credit	LT	5.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (15-May-23)	1)CARE D; ISSUER NOT COOPERATING* (19-May-22)	-

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

LT: Long term

Annexure-3: Detailed explanation of 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-Cash Credit	Simple

Annexure-5: Lender details

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

Note on the complexity levels of the rated instruments: 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 for any clarifications.

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About us:

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