

## Raj Ispat Udyog

July 03, 2024

| Facilities/Instruments    | Amount (₹ crore) | Rating <sup>1</sup>             | Rating Action  |
|---------------------------|------------------|---------------------------------|--|
| Long Term Bank Facilities | 7.00             | 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 Ispat Udyog (RIU) under the 'issuer non-cooperating' category as RIU 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. RIU 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 Ispat Udyog (RIU) was established in 1988 as a partnership firm by Raj Kumar (aged 55 years), Mr. Anil Kumar (aged 47 years) and Mr. Sunny Kapoor (aged 32 years). The firm is engaged in trading of steel products and the servicing facility is located at Ludhiana, Punjab. The traded items include C.R Coils, HR Sheet, plate, straight angles, channel and joint etc. which find their application in steel and allied products industry. The traded goods are procured from associate concern, RSI and sold to dealers and wholesalers in Punjab, Chandigarh and J&K. RIU has other group concern viz. Raj Steel Industries (RSI), established in 1884 and engaged in manufacturing and trading of steel items.

| Brief Financials (Rs. crore) | March 31, 2014 (A) | March 31, 2015 (Prov.) |
|------------------------------|--------------------|------------------------|
| Total operating income       | 27.66              | 26.84                  |
| PBILDT                       | 1.32               | 1.33                   |
| PAT                          | 0.03               | 0.11                   |
| Overall gearing (times)      | 12.79              | 7.36                   |
| Interest coverage (times)    | 1.04               | 1.11                   |

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 RIU 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

<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

**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 |      | -                             | -               | -                          | 7.00                        | 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              | 7.00                         | 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](mailto:care@careedge.in) for any clarifications.

### Contact us

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| <b>Media Contact</b><br><br>Mradul Mishra<br>Director<br><b>CARE Ratings Limited</b><br>Phone: +91-22-6754 3596<br>E-mail: <a href="mailto:mradul.mishra@careedge.in">mradul.mishra@careedge.in</a><br><br><b>Relationship Contact</b><br><br>Ankur Sachdeva<br>Senior Director<br><b>CARE Ratings Limited</b><br>Phone: 91 22 6754 3444<br>E-mail: <a href="mailto:Ankur.sachdeva@careedge.in">Ankur.sachdeva@careedge.in</a> | <b>Analytical Contacts</b><br><br>Shachee Nakul Vyas<br>Assistant Director<br><b>CARE Ratings Limited</b><br>Phone: 079-40265665<br>E-mail: <a href="mailto:shachee.tripathi@careedge.in">shachee.tripathi@careedge.in</a><br><br>Aniket Shringarpure<br>Lead Analyst<br><b>CARE Ratings Limited</b><br>Phone: 079-40265659<br>E-mail: <a href="mailto:aniket.shringarpure@careedge.in">aniket.shringarpure@careedge.in</a><br><br>Bhumika Baridun<br>Associate Analyst<br><b>CARE Ratings Limited</b><br>E-mail: <a href="mailto:Bhumika.baridun@careedge.in">Bhumika.baridun@careedge.in</a> |
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### About us:

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### Disclaimer:

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