

## R. K. Steel Industries

August 29, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	27.00	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable;

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 August 10, 2023, placed the rating(s) of R. K. Steel Industries (RKSI) under the 'issuer non-cooperating' category as RKSI had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. RKSI continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated June 25, 2024, July 05, 2024 and July 15, 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).**

The ratings assigned to the bank facilities of RKSI have been revised on account of non-availability of requisite information.

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers:

Please refer to PR dated [August 10, 2023](#)

### Applicable criteria

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

[Policy on default recognition](#)

[Rating Outlook and Credit Watch](#)

### About the company

R.K. Steel Industries (RKSI) is a proprietorship firm established in 1990 by Mr. Rakesh Kumar (proprietor). The firm is engaged in the trading of iron and steel bars, flats, plates and sheets. The firm operates in the domestic market only and supplies majorly to auto parts manufacturers, machine tool manufacturers, steel re-rolling mills and oil expeller industries located majorly in Punjab, Jammu and Kashmir, Himachal Pradesh and Chandigarh.

Brief Financials (Rs. crore)	March 31, 2018 (A)	March 31, 2019 (A)
Total operating income	166.31	218.27
PBILDT	4.24	5.23
PAT	1.67	2.12
Overall gearing (times)	2.46	2.80
Interest coverage (times)	1.75	1.76

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:** CRISIL has continued the rating assigned to the bank facilities of RKSI into Issuer Not Cooperating category vide press release dated December 08, 2023 on account of its inability to carry out a review in the absence of requisite information.

**Any other information:** Not Applicable

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

**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		-	-	-	27.00	CARE B-; Stable; 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	27.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (10-Aug-23)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (10-Aug-22)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (24-Jun-21)

\*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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### Disclaimer:

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