

K B Sponge Iron Limited

May 06, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	5.99	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Downgraded from CARE BB-; Stable
Short Term Bank Facilities	5.60	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Downgraded from CARE A4

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 09, 2024, placed the rating(s) of K B Sponge Iron Limited (KBSIL) under the 'issuer non-cooperating' category as KBSIL had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. KBSIL continues to be non-cooperative despite repeated requests for submission of information through e-mails dated March 25, 2025, April 04, 2025, April 14, 2025, May 05, 2025 among others.

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 KBSIL have been revised on account of non-availability of requisite information. The revision further considers the ongoing delays in debt servicing as recognized from publicly available information i.e., CIBIL filings.

Analytical approach: Standalone

Outlook: Not applicable

Detailed description of the key rating drivers:

Please refer to PR dated [May 09, 2024](#)

Applicable criteria

[CARE Ratings' Criteria on Information Adequacy Risk and Issuer Non-Cooperation](#)

[CARE Ratings' Policy on Default Recognition](#)

About the company

KBSIL, promoted by the Kejriwal family of West Bengal, was incorporated in April 2002 and started its operations from 2007. The company has been engaged in manufacturing of ingots/billets. Currently, the company has an installed capacity of 61,200 metric tons per annum (MTPA) (enhanced from 25,200 MTPA from June 2020). The manufacturing facility of the company is located at Durgapur, West Bengal. The day-to-day operations of the company is looked after by Mr. Ramesh Kumar Kejriwal with the support of other directors and a team of experienced professionals.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Covenants of rated instrument / facility: Annexure-3

Complexity level of various instruments rated: Annexure-4

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

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 and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	3.55	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	February 2026	2.44	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	5.60	CARE D; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for 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 2025-2026	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
1	Fund-based - LT-Term Loan	LT	2.44	CARE D; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (09-May-24)	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (24-Feb-23)
2	Fund-based - LT-Cash Credit	LT	3.55	CARE D; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (09-May-24)	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (24-Feb-23)
3	Non-fund-based - ST-Bank Guarantee	ST	5.60	CARE D; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (09-May-24)	-	1)CARE A4; ISSUER NOT COOPERATING* (24-Feb-23)

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

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple

Annexure-5: Lender details

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

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

Contact us

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About us:

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