

## Kalika Steel Alloys Private Limited

October 21, 2022

### Ratings

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	143.15	<b>CARE BB; Stable; ISSUER NOT COOPERATING* (Double B; Outlook: Stable ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB+; Stable; (Double B Plus; Outlook: Stable)
Short Term Bank Facilities	90.00	<b>CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE A4+; (A Four Plus)
<b>Total Bank Facilities</b>	<b>233.15 (₹ Two Hundred Thirty-Three Crore and Fifteen Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1

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

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated August 27, 2021, placed the rating(s) of Kalika Steel Alloys Private Limited (KSAPL) under the 'issuer non-cooperating' category as KSAPL 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. KSAPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated July 13, 2022, July 23, 2022, August 02, 2022.

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 have been revised on account of non-availability of requisite information. The revision also considers the ongoing investigation by CDBT as recognized from publicly available information i.e. CDBT press release.

### Detailed description of the key rating drivers

Please refer to PR dated [August 27, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the Company

Kalika Steel Alloys Private Limited (KSAPL) is part of the Jalna (Maharashtra) based 'Kalika' group. The group is closely held by Mr. Ghanshyam Goyal, Mr. Arun Agrawal, Mr. Anil Goyal, and Mr. Manoj Jindal. The group is into rolling of Mild Steel (MS) billets and Thermo-Mechanically Treated (TMT) bars through two companies i.e. KSAPL and Kalika Steel Jalna Private Limited (KSJPL), in close proximity to one another. KSAPL was engaged primarily in the production of MS Billets and TMT bars.

Brief Financials (₹ crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)	H1FY23 (Prov.)
Total operating income	861.14	769.57	NA	NA
PBILDT	46.33	57.85	NA	NA
PAT	16.43	29.06	NA	NA
Overall gearing (times)	0.49	0.57	NA	NA
Interest coverage (times)	2.45	4.23	NA	NA

<sup>2</sup> Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE publications

Audited, Prov.: Provisional, NA – Not available

**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:** Please refer Annexure-3

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

**Annexure-1: Details of instruments/facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	55.00	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	October 2020	88.15	CARE BB; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	20.00	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	70.00	CARE A4; 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 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Non-fund-based - ST-Letter of credit	ST	70.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4+; ISSUER NOT COOPERATING* (27-Aug-21)	1)CARE A4+; ISSUER NOT COOPERATING* (01-Jul-20)	1)CARE A3; ISSUER NOT COOPERATING* (29-May-19)
2	Fund-based - LT-Term Loan	LT	88.15	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (27-Aug-21)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (01-Jul-20)	1)CARE BBB-; Stable; ISSUER NOT COOPERATING* (29-May-19)
3	Fund-based - LT-Cash Credit	LT	55.00	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (27-Aug-21)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (01-Jul-20)	1)CARE BBB-; Stable; ISSUER NOT COOPERATING* (29-May-19)
4	Non-fund-based - ST-Bank Guarantee	ST	20.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4+; ISSUER NOT COOPERATING* (27-Aug-21)	1)CARE A4+; ISSUER NOT COOPERATING* (01-Jul-20)	1)CARE A3; ISSUER NOT COOPERATING* (29-May-19)

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

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

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

Sr. No.	Name of 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
4	Non-fund-based - ST-Letter of credit	Simple

**Annexure-5: Bank lender details for this company**

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

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careedge.in](http://www.careedge.in). Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

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**About CARE Ratings Limited:**

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