

## Om Smelters And Rollers Private Limited

December 27, 2021

### Ratings

| Facilities/Instruments       | Amount<br>(Rs. crore)  | Rating <sup>1</sup>   | Rating Action   |
|------------------------------|--|---|---|
| Long Term Bank Facilities    | 7.60   | <b>CARE B-; Stable;<br/>ISSUER NOT COOPERATING*<br/>(Single B Minus; Outlook: Stable<br/>ISSUER NOT COOPERATING*)</b> | Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable; (Single B; Outlook: Stable) |
| <b>Total Bank Facilities</b> | <b>7.60<br/>(Rs. Seven<br/>Crore and Sixty<br/>Lakhs Only)</b> |   |   |

### Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated January 07, 2021, placed the rating(s) of Om Smelters And Rollers Private Limited (OSRPL) under the 'issuer non-cooperating' category as OSRPL 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. OSRPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated November 23, 2021, December 03, 2021, December 13, 2021.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE'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 rating also considers a decline in scale of operations and profitability in FY20 compared to FY19.

### Detailed description of the key rating drivers

Please refer to PR dated [January 07, 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

Jhansi (U.P.) based, Om Smelters and Rollers Private Limited (OSRL) was established in April, 2009 as a private limited company and is currently being managed by Mr. Ashutosh Bansal and Mr. Kapil Bansal. The company is engaged in manufacturing of TMT bars and billets at its manufacturing facility located at Gwalior, Madhya Pradesh with an installed capacity of 18,000 metric tonnes per annum as on October 15, 2018. The company sells its products under the brand name Kamdhenu Steel. The company procures its raw-material i.e. sponge iron from traders and manufacturers in Chhattisgarh, Raipur and Orissa and scrap from local auctions and vendors.

| Brief Financials (Rs. crore) | FY2020 | FY2021(A) | H1FY2022(Prov.) |
|------------------------------|--------|-----------|-----------------|
| Total operating income       | 107.41 | NA        | NA              |
| PBILDT                       | 3.15   | NA        | NA              |
| PAT                          | 0.78   | NA        | NA              |
| Overall gearing (times)      | 0.63   | NA        | NA              |
| Interest coverage (times)    | 5.67   | NA        | NA              |

A: Audited, Prov. – Provisional, NA – Not available

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

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

**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 (Rs. crore) | Rating assigned along with Rating Outlook |
|-----------------------------|------|------------------|-------------|---------------|-------------------------------|---|
| Fund-based - LT-Term Loan   |      | -                | -           | March,2021    | 2.60                          | CARE B-; Stable; ISSUER NOT COOPERATING*  |
| Fund-based - LT-Cash Credit |      | -                | -           | -             | 5.00                          | CARE B-; Stable; ISSUER NOT COOPERATING*  |

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

**Annexure-2: Rating History of last three years**

| Sr. No | Name of the Instrument/ Bank Facilities | Current Ratings |                                |  | Rating history                            |   |  |   |
|--------|---|-----------------|--------------------------------|--|---|---|--|---|
|        |   | Type            | Amount Outstanding (Rs. crore) | Rating                                   | Date(s) & Rating(s) assigned in 2021-2022 | Date(s) & Rating(s) assigned in 2020-2021             | Date(s) & Rating(s) assigned in 2019-2020  | Date(s) & Rating(s) assigned in 2018-2019 |
| 1      | Fund-based - LT-Term Loan               | LT              | 2.60                           | CARE B-; Stable; ISSUER NOT COOPERATING* | -   | 1)CARE B; Stable; ISSUER NOT COOPERATING* (07-Jan-21) | 1)CARE B+; Stable; ISSUER NOT COOPERATING* (15-Jan-20)<br>2)CARE BB-; Stable (24-Apr-19) | -   |
| 2      | Fund-based - LT-Cash Credit             | LT              | 5.00                           | CARE B-; Stable; ISSUER NOT COOPERATING* | -   | 1)CARE B; Stable; ISSUER NOT COOPERATING* (07-Jan-21) | 1)CARE B+; Stable; ISSUER NOT COOPERATING* (15-Jan-20)<br>2)CARE BB-; Stable (24-Apr-19) | -   |

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

**Annexure-3: Detailed explanation of covenants of the rated instrument / 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           |

**Note on complexity levels of the rated instrument:** CARE Ratings Ltd. 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

### Media Contact

Mr. Mradul Mishra  
Contact No.: +91-22-6754 3573  
Email ID – [mradul.mishra@careedge.in](mailto:mradul.mishra@careedge.in)

### Analyst Contact

Ms. Shachee Vyas  
Contact No.: +91-79-4026 5665  
Email ID – [shachee.tripathi@careedge.in](mailto:shachee.tripathi@careedge.in)

### Relationship Contact

Ms. Swati Agrawal  
Contact No.: +91-11-45333237  
Email ID – [swati.agrawal@careedge.in](mailto:swati.agrawal@careedge.in)

### About CARE Ratings Limited:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

### Disclaimer

The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careedge.in](http://www.careedge.in)**