

Bajrang Steel and Alloys Limited

May 31, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	14.00	CARE BB-; Stable; ISSUER NOT COOPERATING* (Double B Minus; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB; Stable (Double B; Outlook: Stable)
Total Bank Facilities	14.00 (Rs. Fourteen Crore Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated March 19, 2021, placed the rating(s) of Bajrang Steel and Alloys Limited (BSAL) under the 'issuer non-cooperating' category as BSAL 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. BSAL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated February 02, 2022, February 12, 2022, February 22, 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 rating assigned to the bank facilities of BSAL have been revised on account of non-availability of requisite information. The rating also factored in decline in scale of operations, deteriorated capital structure and debt coverage indicators during FY21.

Detailed description of the key rating drivers

Please refer to PR dated [March 19, 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

Bajrang Steel and Alloys Limited (BSAL) incorporated on September 24, 1998. Currently the company is managed by Mr. Ashok Kumar Kansal, Mr. Ashok Agarwal and Mr. Arun Agarwal. Since its inception, the company has been engaged in manufacturing of M.S. ingots and M.S. structures products like angles, rounds, channels etc. at its manufacturing facility in Sundargarh, Odisha. The site has an installed capacity of 32000 MTPA of M.S. ingots and 25380 MTPA of M.S. structures products. Further the company also engaged in stock and commodity trading business. Moreover, the company has availed moratorium on interest on working capital from its lender.

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021 (A)	31-03-2022 (Prov.)
Total operating income	94.43	106.29	NA
PBILDT	2.53	2.17	NA
PAT	0.23	0.32	NA
Overall gearing (times)	0.61	0.62	NA
Interest coverage (times)	1.96	1.90	NA

A: Audited, Prov.: Provisional, NA: Not Available

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

Status of non-cooperation with previous CRA: CRISIL has suspended BSAL's rating vide press release dated April 21, 2015 on account of its inability to carry out a rating surveillance in the absence of the requisite information from the company.

India Ratings has continued the rating assigned to the bank facilities of BSAL into Issuer Not Cooperating category vide press release dated March 30, 2022 on account of its inability to carry out a review in the absence of the requisite information from the company.

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Annexure-3

Complexity level of various instruments rated for this company: 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-Cash Credit		-	-	-	14.00	CARE BB-; 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 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	14.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (19-Mar-21)	1)CARE BB+; Stable (20-Jan-20)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of rated instrument/facility: Not Applicable

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

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash 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. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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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.

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