



**Press Release**  
**K.J. Steel Rolling Mills**  
**October 08, 2024**  
**Rating Downgraded & Withdrawn and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	20.00	ACUITE BB+   Downgraded & Withdrawn   Issuer not co-operating*	-
<b>Total Outstanding Quantum (Rs. Cr)</b>	0.00	-	-
<b>Total Withdrawn Quantum (Rs. Cr)</b>	20.00	-	-
* The issuer did not co-operate; based on best available information.			

**Rating Rationale**

Acuite has downgraded and withdrawn the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) on the Rs.20.00 crore bank facilities of K J Steel Rolling Mills (KJSRM). The rating is now flagged as "Issuer Not Co-operating" and is based on best available information. The rating downgrade is on account of information risk. The rating has been withdrawn on Acuite's policy of withdrawal of rating as applicable to the respective facility / instrument. The rating has been withdrawn on account of the request received from the company and the No Objection Certificate (NOC) received from the banker.

**About the Company**

K J Steel Rolling Mills (KJSRM) began its operations in January 2004 as a partnership firm in Jalandhar. Mr. Ashok Goyal and Mr. Pritpal Singh Chawla oversee the day-to-day activities of the firm. The primary focus of the firm is the production of steel flats, bars and spring steel for automobile industry, hand tools and general engineering industry through induction furnace and rolling mill route.

**About the Group**

Incorporated in 1992 as its flagship entity, Bhawani Shankar Casting Private Limited (BSCPL) operates out of Jalandhar. The company is overseen by Mr. Ashok Goyal and Mr. Pritpal Singh Chawla and specializes in the manufacturing of steel ingots through induction furnace. BSCPL sells 95% of its production to K. J. Steel Rolling Mills.

**Unsupported Rating**

Not Applicable

**Non-cooperation by the issuer/borrower**

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance

& review of the rating. However, the issuer/borrower failed to submit such information before the due date. Acuité believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is, therefore, being flagged as “Issuer not-cooperating”, in line with prevailing SEBI regulations and Acuité’s policies.

**Limitation regarding information availability**

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

**Rating Sensitivities**

"No information provided by the issuer / available for Acuite to comment upon."

**Liquidity Position**

"No information provided by the issuer / available for Acuite to comment upon."

**Outlook**

Not Applicable

**Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	317.99	293.65
PAT	Rs. Cr.	13.34	11.43
PAT Margin	(%)	4.20	3.89
Total Debt/Tangible Net Worth	Times	1.62	1.51
PBDIT/Interest	Times	3.79	4.70

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

None

### Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

### Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
13 Mar 2024	Cash Credit	Long Term	20.00	ACUITE BBB-   Stable (Upgraded from ACUITE BB+)
23 Jan 2024	Cash Credit	Long Term	20.00	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
31 Oct 2022	Cash Credit	Long Term	20.00	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
04 Aug 2021	Cash Credit	Long Term	20.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB   Stable)

**Annexure - Details of instruments rated**

<b>Lender's Name</b>	<b>ISIN</b>	<b>Facilities</b>	<b>Date Of Issuance</b>	<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Quantum (Rs. Cr.)</b>	<b>Complexity Level</b>	<b>Rating</b>
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE BB+   Downgraded & Withdrawn   Issuer not co-operating* ( from ACUITE BBB- )

\* The issuer did not co-operate; based on best available information.

**\*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

<b>Sr. No</b>	<b>Name of the companies</b>
1	Bhawani Shankar Casting Private Limited
2	K J Steel Rolling Mills

## Contacts

Mohit Jain Senior Vice President-Rating Operations	<b>Contact details exclusively for investors and lenders</b>
Siddharth Garg Associate Analyst-Rating Operations	Mob: +91 8591310146 Email ID: <a href="mailto:analyticalsupport@acuite.in">analyticalsupport@acuite.in</a>

### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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