



**Press Release**  
**Kalindi Ispat Private Limited**  
**September 13, 2023**

**Rating Downgraded and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	21.38	ACUITE BB+   Downgraded   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	21.38	-	-

**Rating Rationale**

Acuite has downgraded its long term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) on the Rs. 21.38 Cr. bank facilities of Kalindi Ispat Private Limited (KIPL).

The rating is now flagged as "Issuer Not Cooperating" and is based on the best available information.

The rating has been downgraded on account of information risk.

**About the Company**

Incorporated in September 2004, Kalindi Ispat Private Limited (KIPL) is a Bilaspur, Chhattisgarh based company promoted by the Singhanian family. The company has two kilns with an installed capacity of 60,000 metric tonne per annum (MTPA) for manufacturing sponge iron. Manufacturing facility of the company is located in Bilaspur. The company sells mainly in the markets of Chhattisgarh, Madhya Pradesh and adjacent states to the billet and TMT bar manufacturers.

**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. Acuite 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 Acuite'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). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite 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.

**All Covenants**

None

**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 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	147.64	102.03
PAT	Rs. Cr.	8.01	2.16
PAT Margin	(%)	5.43	2.12
Total Debt/Tangible Net Worth	Times	0.44	0.35
PBDIT/Interest	Times	19.24	4.78

### Status of non-cooperation with previous CRA

INDIA RATINGS, vide its press release dated May 11, 2022 had denoted the rating of Kalindi Ispat Private Limited as 'IND BB+/A4+; ISSUER NOT COOPERATING'.

### Any other information

Not Applicable

### 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, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite'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
08 Jul 2022	Covid emergency line	Long Term	1.88	ACUITE BBB-(Assigned)
	Cash Credit	Long Term	19.50	ACUITE BBB-(Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
ICICI Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	19.50	ACUITE BB+   Downgraded   Issuer not co-operating*
ICICI Bank Ltd	Not Applicable	Covid Emergency Line.	Not Applicable	Not Applicable	Not Applicable	Simple	1.88	ACUITE BB+   Downgraded   Issuer not co-operating*

## Contacts

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### 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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