



Press Release

K B Ispat Private Limited

June 06, 2025

Ratings

| Instrument / Facility | Amount (Rs. crore) | Current Ratings | Previous Ratings | Rating Action | Complexity Indicator |
|----------------------------|---|---|--|---|------------------------|
| Long Term Bank Facilities | 116.79 (including proposed limit of 10.56) | IVR BB+/ Negative ISSUER NOT COOPERATING* (IVR Double B Plus with Negative Outlook Issuer Not Cooperating) | IVR BBB-/ Stable (IVR Triple B minus with Stable outlook) | Rating downgraded and moved to Issuer Not Cooperating category; Outlook revised from Stable to Negative | Simple |
| Short Term Bank Facilities | 13.26 | IVR A4+ ISSUER NOT COOPERATING* (IVR A Four Plus Issuer Not Cooperating) | IVR A3 (IVR A Three) | Rating downgraded and moved to Issuer Not Cooperating category | Simple |
| Total | 130.05 (Rs. One hundred Thirty crore and five lakh only) | | | | |

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

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics has downgraded the ratings and moved the ratings assigned to the bank facilities of K B Ispat Private Limited (KBIPL) in the ISSUER NOT COOPERATING category because of non-receipt of no default statement for the months of March 2025, April 2025 and May 2025 from the company and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its ratings and reviews the same as per its policy. The long-term rating outlook has been changed from Stable to Negative due to information availability risk. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using these ratings as the ratings may not adequately reflect the credit risk profile of the entity.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide No default Statement (NDS) for the month of March 2025, April 2025 and May 2025 to monitor its assigned rating to the bank facilities, vide mail communications dated April 21st, 2025, April 23rd, 2025, April 28th, 2025, May 09th, 2025, May 16th, 2025, May 23rd, 2025, May 28th, 2025, May 29th, 2025,



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May 31st, 2025, June 02nd, 2025, June 03rd, 2025, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the NDS for the past 3 months.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the ratings based on the best available information. Accordingly, the ratings assigned to the bank loan facilities aggregating to INR 130.05 crore of K B Ispat Private Limited shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the long-term rating be noted as 'IVR BB+/ Negative ISSUER NOT COOPERATING' based on best available information (IVR double B plus with Negative Outlook Issuer not cooperating based on best available information) and the short-term rating be noted as 'IVR A4+ ISSUER NOT COOPERATING' based on best available information (IVR A four plus Issuer not cooperating based on best available information).

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing Companies](#)

[Criteria of assigning Rating outlook](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)

[Financial Ratios & Interpretation \(Financial Sector/Non- Financial Sector\)](#)

[Guidelines on what constitutes Non-Cooperation by clients](#)

About the Company

Incorporated in 2010, K B Ispat Private Limited is involved in the manufacturing Mild Steel Billets and TMT bars. The installed capacity for billets is 60,000 MTPA while that of TMT bars is 48000 MTPA. The company has an integrated facility with an induction furnace and continuous caster to produce billets using sponge iron and scrap, a part of which are captively consumed towards the production of TMT bars. The company in the process of setting up a Mini Steel Plant employing Induction Furnace & Continuous Casting machine and expand the



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manufacturing facility of MS billet with additional annual installed capacity of 60,000 MTPA. The production is expected to be used for sale in market and also for captive consumption and manufacture of TMT Bars.

Currently, Hemantbhai Rasiklal Vora, managing director, looks after day-to-day affairs of the company along with other directors and a team of experienced personnel.

Financials (Standalone):

(Rs. crore)

| For the year ended/ As on* | 31.03.2023 | 31.03.2024 |
|----------------------------|----------------|----------------|
| | Audited | Audited |
| Total Operating Income | 423.49 | 382.72 |
| EBITDA | 19.61 | 18.54 |
| PAT | 5.53 | 5.12 |
| Total Debt | 43.39 | 97.15 |
| Tangible Net Worth | 37.99 | 50.61 |
| EBITDA Margin (%) | 4.63 | 4.84 |
| PAT Margin (%) | 1.31 | 1.34 |
| Overall Gearing Ratio (x) | 1.14 | 1.92 |
| Interest Coverage (x) | 3.97 | 3.64 |

* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: Nil.

Any other information: Nil

Rating History for last three years:

| Sr. No. | Name of Instrument/ Facilities | Current Rating (Year 2025-26) | | | Rating History for the past 3 years | | | |
|---------|--------------------------------|-------------------------------|--------------------------------|---|---|---|---|---|
| | | Type | Amount outstanding (Rs. Crore) | Rating | Date(s) & Rating(s) assigned in 2024-25 | | Date(s) & Rating(s) assigned in 2023-24 | Date(s) & Rating(s) assigned in 2022-23 |
| | | | | | (Mar. 24, 2025) | (Jan. 31, 2025) | | |
| 1. | Term Loan | Long Term | 50.67 | IVR BB+/ Negative ISSUER NOT COOPERATING* | IVR BBB-/ Stable | IVR BB+/ Negative ISSUER NOT COOPERATING* | IVR BBB-/ Stable | - |
| 2. | GECL | Long Term | 4.61 | IVR BB+/ Negative ISSUER NOT COOPERATING* | IVR BBB-/ Stable | IVR BB+/ Negative ISSUER NOT COOPERATING* | IVR BBB-/ Stable | - |
| 3. | Cash Credit | Long Term | 50.95 | IVR BB+/ Negative ISSUER NOT COOPERATING* | IVR BBB-/ Stable | IVR BB+/ Negative ISSUER NOT COOPERATING* | IVR BBB-/ Stable | - |



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| Sr. No. | Name of Instrument/ Facilities | Current Rating (Year 2025-26) | | | Rating History for the past 3 years | | | |
|---------|---|-------------------------------|-----------------------------------|---|---|---------------------------------|---|---|
| | | Type | Amount outstanding (Rs. Crore) | Rating | Date(s) & Rating(s) assigned in 2024-25 | | Date(s) & Rating(s) assigned in 2023-24 | Date(s) & Rating(s) assigned in 2022-23 |
| | | | | | (Mar. 24, 2025) | (Jan. 31, 2025) | (Dec 05, 2023) | |
| 4. | Proposed Cash Credit | Long Term | 10.56 | IVR BB+/ Negative ISSUER NOT COOPERATING* | IVR BBB-/ Stable | - | - | - |
| 5. | Bank Guarantee | Short Term | 8.00 | IVR A4+ ISSUER NOT COOPERATING* | IVR A3 | IVR A4+ ISSUER NOT COOPERATING* | IVR A3 | - |
| 6. | Letter of Credit | Short Term | 5.00 | IVR A4+ ISSUER NOT COOPERATING* | IVR A3 | IVR A4+ ISSUER NOT COOPERATING* | IVR A3 | - |
| 7. | CEL/ Derivative/ Forward Contract | Short Term | 0.26 | IVR A4+ ISSUER NOT COOPERATING* | IVR A3 | IVR A4+ ISSUER NOT COOPERATING* | IVR A3 | - |

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

Analytical Contacts:

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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) (formerly Infomerics Valuation & Rating Pvt Ltd) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.



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Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.

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Annexure 1: Facility Details

| Name of Facility | Date of Issuance | Coupon Rate/ IRR | Maturity Date | Size of Facility (Rs. Crore) | Rating Assigned/ Outlook |
|----------------------|------------------|------------------|---------------|------------------------------|---|
| Term Loan 1 | - | - | January 2027 | 3.20 | IVR BB+/ Negative ISSUER NOT COOPERATING* |
| Term Loan 2 | - | - | February 2031 | 37.43 | IVR BB+/ Negative ISSUER NOT COOPERATING* |
| Term Loan 3 | - | - | July 2024 | 9.67 | IVR BB+/ Negative ISSUER NOT COOPERATING* |
| Term Loan 4 | - | - | April 2024 | 0.37 | IVR BB+/ Negative ISSUER NOT COOPERATING* |
| GECL 1 | - | - | November 2024 | 0.35 | IVR BB+/ Negative ISSUER NOT COOPERATING* |
| GECL 2 | - | - | March 2027 | 2.61 | IVR BB+/ Negative ISSUER NOT COOPERATING* |
| GECL 3 | - | - | July 2024 | 0.66 | IVR BB+/ Negative ISSUER NOT COOPERATING* |
| GECL 4 | - | - | April 2027 | 0.99 | IVR BB+/ Negative ISSUER NOT COOPERATING* |
| Cash Credit 1 | - | - | - | 11.00 | IVR BB+/ Negative ISSUER NOT COOPERATING* |
| Cash Credit 2 | - | - | - | 39.95 | IVR BB+/ Negative ISSUER NOT COOPERATING* |
| Proposed Cash Credit | - | - | - | 10.56 | IVR BB+/ Negative ISSUER NOT COOPERATING* |
| Bank Guarantee | - | - | - | 8.00 | IVR A4+ ISSUER NOT COOPERATING* |
| Letter of Credit | - | - | - | 5.00 | IVR A4+ ISSUER NOT COOPERATING* |



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| | | | | | |
|--|---|---|---|------|------------------------------------|
| CEL/ Derivative/ Forward Contract | - | - | - | 0.26 | IVR A4+ ISSUER NOT COOPERATING* |
|--|---|---|---|------|------------------------------------|

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

Annexure 2: Facility wise lender details: Not Applicable

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.