



## Press Release

### Chintpurni Steel Private Limited (CSPL)

February 27, 2024

#### Ratings

Facilities	Amount (Rs. Crore)	Current Ratings	Previous Ratings	Rating Action	<a href="#">Complexity</a> <a href="#">Indicators</a>
Long Term Bank Facilities	60.50	IVR BBB-/Negative  ISSUER NOT COOPERATING  (IVR Triple B minus with Negative Outlook ISSUER NOT COOPERATING )	IVR BBB/ Stable  (IVR Triple B with Stable Outlook)	Downgraded and migrated to ISSUER NOT COOPERATING Category	Simple
Short Term Bank Facilities	4.20	IVR A3  ISSUER NOT COOPERATING  (IVR A Three ISSUER NOT COOPERATING)	IVR A3+  (IVR A Three Plus)	Downgraded and migrated to ISSUER NOT COOPERATING Category	Simple
Total	64.70  (Rupees Sixty Four crore and Seventy lacs only)				

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

#### Details of Facilities are in Annexure 1

#### Detailed Rationale

The revision in the ratings assigned to the bank facilities of Chintpurni Steel Private Limited (CSPL) reflects lack of adequate information available, non-payment of annual surveillance fees and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.



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The lender, investors and other market participants are thus advised to exercise appropriate caution while using this rating as this rating 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 the required data to monitor its assigned rating to the bank facilities, vide email communications dated December 21, 2023, January 3, 2024 and January 17, 2024 concurrently over several phone calls. However, despite the repeated requests by Infomerics, the company's management has not submitted the requested information for monitoring the rating.

Availability of information is very critical in the rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to review the rating based on the best available information. Accordingly, the rating for the bank facilities of Chintpurni Steel Private Limited aggregating Rs.64.70 crore has been migrated to 'ISSUER NOT COOPERATING' category by Infomerics.

**Analytical Approach:** Standalone

### **Applicable Criteria:**

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

[Rating Methodology for Manufacturing Companies](#)

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

[Criteria on consolidation of companies](#)

[Criteria for assigning outlook](#)



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### About the Group:

Chintpurni Steel Private Limited and Narsimha Iron and Steel Private Limited belongs to Chintpurni Group. Chintpurni Group is involved in manufacturing of sponge iron and billets in Jharkhand. Group is promoted and managed by experienced promoters.

### About the Company

Incorporated in 2004, Jharkhand based Chintpurni Steel Private Limited (CSPL) is engaged in manufacturing of sponge iron and billets with an installed capacity of 1,20,000 tonnes per annum (TPA) for sponge iron and 1,00,000 TPA for MS billets.

### Financials (Consolidated)

(Rs. crore)

For the year ended / As On*	31-03-2021 (Audited)	31-03-2022 (Audited)
Total Operating Income	391.12	540.83
EBITDA	22.95	29.03
PAT	5.02	8.83
Total Debt	74.06	90.22
Adj. Tangible Net Worth	93.29	103.45
<b>Ratios</b>		
EBITDA Margin (%)	5.87	5.37
PAT Margin (%)	1.27	1.62
Adj. Overall Gearing Ratio (x)	0.79	0.87

\*As per Infomerics' standards



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### Financials (Standalone)

For the year ended / As On*	31-03-2021 (Audited)	31-03-2022 (Audited)
Total Operating Income	322.97	429.88
EBITDA	17.25	21.41
PAT	3.62	5.86
Total Debt	58.73	74.22
Adj. Tangible Net Worth	69.43	75.53
<b>Ratios</b>		
EBITDA Margin (%)	5.34	4.98
PAT Margin (%)	1.11	1.36
Adj. Overall Gearing Ratio (x)	0.85	0.98

**Status of non-cooperation with previous CRA:** Brickwork Ratings, CARE Ratings and India Ratings and Research Pvt Ltd continue to classify it as non-cooperative vide release dated, December 7, 2023, July 31, 2023 and July 24, 2023, respectively due to non-availability of information.

### Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (December 21, 2022)	Date(s) & Rating(s) assigned in 2021-22 September 22, 2021	Date(s) & Rating(s) assigned in 2020-21
1.	Long Term Bank Facilities – Cash Credit	Long Term	35.00	IVR BBB-/ Negative ISSUER NOT COOPERATING	IVR BBB/ Stable	IVR BBB/ Stable	-
2.	Long Term Bank Facilities – Term Loan	Long Term	25.50	IVR BBB-/ Negative ISSUER NOT COOPERATING	IVR BBB/ Stable	IVR BBB/ Stable	-



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Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (December 21, 2022)	Date(s) & Rating(s) assigned in 2021-22 September 22, 2021	Date(s) & Rating(s) assigned in 2020-21
3	Short Term bank Facility - Bank Guarantee	Short Term	4.20	IVR A3 ISSUER NOT COOPERATIVE	IVR A3+	IVR A3+	

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

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### About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) 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.

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

For more information visit [www.infomerics.com](http://www.infomerics.com).

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



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### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. crore)	Rating Assigned/ Outlook
Long Term Bank Facilities – Cash Credit	-	-	-	35.00	IVR BBB-/ Negative (ISSUER NOT COOPERATING)
Long Term Bank Facilities – Term Loan	-	-	Up to December 2029	25.50	IVR BBB-/ Negative (ISSUER NOT COOPERATING)
Short Term Bank Facilities – Bank Guarantee	-	-	-	4.20	IVR A3 (ISSUER NOT COOPERATING)

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

### Annexure 2: List of companies considered for consolidated analysis:

The extent of consolidation in Chintpurni Group is 100%

Name of the Company	Ownership	Consolidated Approach
Chintpurni Steel Private Limited	100%	Full Consolidation
Narsimha Iron & Steel Private Limited	100%	Full Consolidation

**Annexure 3: Facility wise lender details:** Not available

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities:** 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](http://www.infomerics.com).