

January 16, 2025

## Capital Steel Corporation: Continues to remain under issuer non-cooperating category

### Summary of rating action

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Short Term-Non-Fund Based-Others	56.10	56.10	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Cash Credit	7.00	7.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
<b>Total</b>	<b>63.10</b>	<b>63.10</b>	

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

<sup>^</sup>Instrument details are provided in Annexure-1

### Rationale

ICRA has kept the Long-Term and Short-term ratings of Capital Steel Corporation in the 'Issuer Not Cooperating' category. The rating is denoted as [ICRA]B+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Capital Steel Corporation, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key Financial indicators: [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Policy in respect of non-cooperation by the rated entity</a> <a href="#">Corporate Credit Rating Methodology</a>
Parent/Group Support	NA
Consolidation/Standalone	Standalone

### About the company

Incorporated in 1994, Capital Steel Corporation (Prop. P. Rajesh Ship Breaking Private Limited) (CSC) is a private limited company engaged in ship breaking activities. CSC operates from Plot No. 84B (plot size 47 mtr x 45 mtr) at Alang-Sosiya Ship

breaking Yard, Bhavnagar on a lease basis. The area of the plot is 2,115 sq meters and can accommodate a vessel with a maximum width of around 35 meters.

Alang Ship Breaking Yard currently accommodates 167 plots, spread over around 10 km long stretch along the seacoast of Alang and Sosiya, which has a typical location advantage suitable to the ship breaking business. The ship breaking industry generates re-rollable steel scrap, directly used by the re-rolling mills.

### Status of non-cooperation with previous CRA: NA

Any other information: None

### Rating history for past three years

Instrument	Current Rating (FY2025)			Chronology of Rating History for the past 3 years			
	Type	Amount Rated (Rs. Crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022	
			16-January-2025	20-December-2023	20-October-2022	22-September-2021	
1 Non-Fund Based- Others	Short Term	56.10	[ICRA] A4; ISSUER NOT COOPERATING	[ICRA] A4; ISSUER NOT COOPERATING	[ICRA] A4; ISSUER NOT COOPERATING	[ICRA] A4; ISSUER NOT COOPERATING	
2 Fund Based- Cash Credit	Long Term	7.00	[ICRA]B+(Stable);ISSUER NOTCOOPERATING	[ICRA]B+(Stable);ISSUER NOTCOOPERATING	[ICRA]B+(Stable);ISSUER NOTCOOPERATING	[ICRA]B+(Stable);ISSUER NOTCOOPERATING	

### Complexity level of the rated instrument

Instrument	Complexity Indicator
Non-Fund Based-Others	Very Simple
Fund Based-Cash Credit	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

### Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Non-Fund Based- Others	NA	NA	NA	56.10	[ICRA] A4; ISSUER NOT COOPERATING
NA	Fund Based-Cash Credit	NA	NA	NA	7.00	[ICRA]B+(Stable);ISSUER NOTCOOPERATING

Source: Capital Steel Corporation

### Annexure-2: List of entities considered for consolidated analysis: Not applicable

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## ICRA Limited



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