Press Release

Sundaram Steels Private Limited

September 30, 2025

Facilities	Amount (Rs. crore)	Current Ratings	Previous Rating	Rating Action	Complexity
Long Term Bank Facilities	209.27	IVR BBB/Negative/INC (IVR Triple B with Negative Outlook /ISSUER NOT COOPERATING)	IVR BBB+/Stable (IVR Triple B Plus with Stable outlook)	Downgraded & Moved under ISSUER NOT COOPERATING category	Simple
Short Term Bank Facilities	21.00	IVR A3+/INC (IVR A Three Plus; ISSUER NOT COOPERATING)	IVR A2 (IVR A Two)	Downgraded & Moved under ISSUER NOT COOPERATING category	Simple
Total	**230.27**	**(Rupees Two Hundred Thirty Crores and Twenty Seven Lakhs only)**			

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 Ratings has downgraded its rating assigned to the bank facilities of Sundaram Steels Private Limited (SSPL) due to lack of adequate information available and 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 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 company.

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 mail communications latest on September 24, 2025 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted surveillance fees, and all the essential details required for detailed review of the assigned ratings.

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 rating based on the best available information. Accordingly, the Long/Short term ratings for the bank loan facilities of Sundaram Steels Pvt. Ltd aggregating to Rs. 230.27 crore shall be moved in the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BBB/Negative Outlook/Issuer Not Co-operating & A3+/ Issuer Not Co-operating: Based on best available information.

Analytical Approach & Applicable Criteria

Standalone

Rating Methodology for Manufacturing Sector Company

Financial Ratios & Interpretation – (Non-financial Sector)

Guidelines on what constitutes Non-Cooperation by clients

Criteria for assigning rating outlook

Policy on Default recognition

Complexity level of rated instruments/Facilities

About the company

Sundaram Steels Private Limited is a private limited company registered under the Indian Companies Act, 1956.The company came into existence on 29.09.2008. The registered office of the company is situated at Plot No. 322, Basement Room No. 02, Maa Vaishno Nagar, Chandpur, Lahartara, Varanasi (UP) 221 106 and factory at Plot No. III/B-7, Bokaro Industrial Area Development Authority (BIADA), District Bokaro, Jharkhand.

The company is engaged in the business of manufacturing of Sponge Iron (Direct Reduced Iron) and MS Billets. The company has all the latest machines for manufacturing of sponge iron. The unit shall be 100% power backup system and a cooled fresh and filtered air and water system in the factory to ensure best pollution free environment.

Financials (standalone):

(Rs. crore)

For the year ended*/As on	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	645.61	720.87
EBITDA	36.39	23.16
PAT	17.49	8.88
Total Debt	66.54	152.69
Tangible Net worth	54.99	63.42
EBITDA Margin (%)	5.64	3.21
PAT Margin (%)	2.71	1.23
Overall Gearing Ratio (x)	1.21	2.41
Interest Coverage Ratio	8.96	6.23

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Care Ratings has continued the rating under ISSUER NOT CO-OPERATING category vide Press release dated Feb 27, 2025 due to non submission of information.

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 Dated : July 12, 2024	Date(s) & Rating(s) assigned in 2023-24 Dated: May 15, 2023	Date(s) & Rating(s) assigned in 2022-23
1.	Fund Based	Long Term	52.20	IVR BBB/Negative/INC (IVR Triple B with Negative Outlook /ISSUER NOT COOPERATING)	IVR BBB+/Stable (IVR Triple B Plus with Stable outlook)	IVR BBB+/Stable (IVR Triple B Plus with Stable outlook)	-
2.	Fund Based	Long Term	157.07	IVR BBB/Negative/INC (IVR Triple B with Negative Outlook /ISSUER NOT COOPERATING)	IVR BBB+/Stable (IVR Triple B Plus with Stable outlook)	IVR BBB+/Stable (IVR Triple B Plus with Stable outlook)	-
3.	Non-Fund Based – Bank Guarantee	Short Term	21.00	IVR A3+/INC (IVR A Three Plus; ISSUER NOT COOPERATING)	IVR A2 (IVR A Two)	-	-

Name and Contact Details of the Rating Analyst:

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About Infomerics:

Infomerics Valuation And Rating Ltd (Infomerics) [Formerly Infomerics Valuation and 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.

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

For more information visit www.infomerics.com

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan - 1	-	-	May 2030	61.64	IVR BBB/Negative/INC (IVR Triple B with Negative Outlook /ISSUER NOT COOPERATING)
Term Loan - 2			Sep 2030	99.58	IVR BBB/Negative/INC (IVR Triple B with Negative Outlook /ISSUER NOT COOPERATING)
GECL			Sep 2030	1.30	IVR BBB/Negative/INC (IVR Triple B with Negative Outlook /ISSUER NOT COOPERATING)
GECL			Sep 2030	3.09	IVR BBB/Negative/INC (IVR Triple B with Negative Outlook /ISSUER NOT COOPERATING)
GECL			Sep 2030	3.16	IVR BBB/Negative/INC (IVR Triple B with Negative Outlook /ISSUER NOT COOPERATING)
Cash Credit	-	-	--	40.50	IVR BBB/Negative/INC (IVR Triple B with Negative Outlook /ISSUER NOT COOPERATING)
Bank Guarantee	-	-	-	21.00	IVR A3+/INC (Pronounced as IVR A Three Plus; ISSUER NOT COOPERATING)

Annexure 2: Facility wise lender details:
https://www.infomerics.com/admin/prfiles/len-sundaram-steels-sep25.pdf
Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable Annexure
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