

Shiv Real Ispat Private Limited

March 26, 2026

| Facilities/Instruments | Amount (₹ crore) | Rating ¹ | Rating Action |
|---------------------------|-------------------------------|---------------------|---|
| Long Term Bank Facilities | 30.00 (Enhanced from 6.00) | CARE BB; Stable | Rating removed from ISSUER NOT COOPERATING category and Upgraded from CARE B-; Stable |

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

In the absence of minimum information required for the purpose of rating, CARE Ratings Ltd. (CARE) was unable to express an opinion on the rating of Shiv Real Ispat Private Limited and in line with the extant SEBI guidelines, CARE revised the rating of bank facilities of the company from 'CARE BB+; Stable to 'CARE BB-; Stable/ CARE A4; ISSUER NOT COOPERATING' and subsequently revised the rating to 'CARE BB; Stable; ISSUER NOT COOPERATING' and further to 'CARE B-; Stable; ISSUER NOT COOPERATING' vide press release dated December 17, 2025. However, the company has now submitted the requisite information to CARE. Accordingly, CARE has carried out a full review of the rating and the rating is revised to 'CARE BB; Stable.

The rating assigned to the bank facilities of Shiv Real Ispat Private Limited (SRIPL) are constrained by moderate scale of operations with thin profitability margins, leveraged capital structure and moderate debt coverage indicators, susceptibility of profitability to volatility in raw material prices, working capital intensive nature of operations, intense competition due to fragmented nature of the industry & stretched liquidity position.

However, the ratings continue to draw strength from the experience of the promoters of the company, partially integrated nature of operation and strategic location of its plant.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in TD/GCA below 9.00x on a sustained basis
- Improvement in liquidity position

Negative factors

- Deterioration in capital structure with overall gearing beyond 2.00x

Analytical approach: Standalone

Outlook: Stable

The stable outlook assigned to SRIPL, factors in Care Rating's expectations that SRIPL will benefit from the experience of its promoters and favourable location of the plant.

Detailed description of key rating drivers:

Key weaknesses

Moderate scale of operations with thin profitability margins

The Total Operating Income (TOI) grew at a compounded annual growth rate (CAGR) of 10.64% in last 5 years from FY21 to FY25. TOI moderated by 12% to Rs.287.17 crore in FY25 over FY24 on account of subdued demand from customers as indicated by a y-o-y volume de-growth of ~8%. The moderate scale limits the entity's ability to scale up the business significantly. The profitability margins though improved, remained thin marked by PBILDT margin of 1.38% in FY25 and remained within the range of 1-1.5% for the last 5 years amid absence of captive power. The slight improvement from FY24 is mainly due to lower raw material cost. PAT margin stood low and moderated to 0.40% in FY25 from 0.46% in FY24.

In 9MFY26, the company's TOI stood at Rs.166.36 crore.

Leveraged capital structure and moderate debt coverage indicators

The entity's capital structure stood leveraged, as marked by an overall gearing of 1.64x as on March 31, 2025 (1.71x as on March 31, 2024) and has moderated over the years from 1.09x in FY22 with higher utilization of working capital. Its debt profile largely comprises external debt in the form of working capital and unsecured loans. The total outside liabilities to net worth stood high at 2.56x as on March 31, 2025 (2.54x as on March 31, 2024). The marginal improvement in the capital structure from the last financial year was on account of profit accretion to reserves.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

The debt coverage indicators moderated, as marked by PBILDT interest coverage of 1.75x in FY25 (2.61x in FY23) and total debt to GCA (TD/GCA) of 11.01x in FY25 (8.98x in FY23). This was mainly due to dip in profitability.

Working capital intensive nature of operations

SRIPL manufactures a wide variety of structural products such as angles, beams and structures to establish its presence in all categories. Therefore, SRIPL has to maintain a large quantity of raw material & finished goods inventory leading to elongation of inventory period from 23 days in FY21 to 49 days in FY25 while credit period received from customers stood low within the range of 12-15 days. Thus the operating cycle moderated from 20 days in FY21 to 45 days in FY25. The business of the company is working capital intensive in nature, mainly due to blockage of funds in inventory.

Susceptibility of profitability to volatility in raw material prices

Raw-material and power is the major cost driver for SRIPL, accounting for ~ 97% of total cost of sales. The company has backward integration for its one of the raw materials such as MS Billet, which is captively consumed for manufacturing of Angles, channels and strips. However, sponge iron, pig iron and scrap used in production of MS Billet is procured externally from the market. Since company procures basic raw materials externally from the market, margins are impacted. Power is procured by the company externally from Chhattisgarh State Power Distribution.

Intense competition due to fragmented nature of the industry

The steel industry is sensitive to the shifting business cycles, including changes in the general economy, interest rates and seasonal changes in the demand and supply conditions in the market. Apart from the demand side fluctuations, the highly capital-intensive nature of steel projects along-with the inordinate delays in the completion impact the responsiveness of supply side to demand movements. This results in several steel projects bunching up and coming on stream simultaneously leading to demand supply mismatch. Furthermore, the producers of steel products are essentially price-takers in the market, which directly expose their cash flows and profitability to volatility of the steel industry.

Key strengths

Experienced promoters

The company is promoted by Mr. Jayesh Patel and Mr. Harish Patel, who both serve as Directors. Mr. Harish Patel, a B. Com graduate, brings over a decade of experience in the steel industry and oversees the production operations of SRIPL. Similarly, Mr. Jayesh Patel, also a B. Com graduate with more than ten years of experience in the steel sector, manages the company's marketing and accounts functions. The promoters' extensive industry experience strengthens the company's overall business risk profile.

Strategic location of the plant

SRIPL's manufacturing facilities are located in Raipur district of Chhattisgarh. The manufacturing unit is located near the raw material (Sponge Iron, Pig Iron and Scrap) producing region, which ensures easy raw material access and smooth supply of raw materials. The plant is well connected through road and rail transport which facilitates easy transportation of raw materials and finished goods. Proximity of the plant to source of raw-material and end market results in savings of transportation cost.

Presence of partial backward integration

SRIPL is a partially integrated player having manufacturing facilities of intermediate product like MS-billet with an installed capacity of 59,900MT and finished product like MS angles / channels with an installed capacity of 56,905MT. MS Billets are captive consumed for manufacturing of Angle/Channel.

Liquidity: Stretched

Liquidity is stretched marked by high utilization of working capital limits, moderate current ratio and low cash accruals. The company's average utilisation of fund-based working capital limits stood at 93.95% in last twelve months ended December 2025. The company generated moderate cash accruals of Rs. 3.00 crore against nil repayment obligations.

Environment, social, and governance (ESG) risks: NA

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Iron & Steel](#)

About the company and industry

Industry classification

| Macroeconomic indicator | Sector | Industry | Basic industry |
|-------------------------|-----------------|----------------|----------------|
| Commodities | Metals & Mining | Ferrous Metals | Iron & Steel |

Incorporated on June 28, 2004, Raipur (Chhattisgarh) based Shiv Real Ispat Private Limited (SRIPL) is promoted by Mr. Jayesh Patel and Mr. Harish Patel. Currently, the company is engaged in manufacturing of MS Billet, TMT bars, angles, channels, strips and other structures. The company has a manufacturing facility located at Raipur, Chhattisgarh with a installed capacity of MS Billet of 59900 MTPA, 56905 MTPA for Angle/Channel and 30000 MTPA for MS Beam/Structural Channel.

| Brief Financials (₹ crore) | March 31, 2024 (A) | March 31, 2025 (A) | 9MFY26 (UA) |
|----------------------------|--------------------|--------------------|-------------|
| Total operating income | 326.39 | 287.17 | 166.36 |
| PBILDT* | 4.13 | 3.96 | - |
| Profit after tax (PAT) | 1.50 | 1.16 | - |
| Overall gearing (x) | 1.71 | 1.64 | - |
| Interest coverage (x) | 1.86 | 1.75 | - |

A: Audited UA: Unaudited; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: NA

Any other information: NA

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

| Name of the Instrument | ISIN | Date of Issuance (DD-MM-YYYY) | Coupon Rate (%) | Maturity Date (DD-MM-YYYY) | Size of the Issue (₹ crore) | Rating Assigned and Rating Outlook |
|-----------------------------|------|-------------------------------|-----------------|----------------------------|-----------------------------|------------------------------------|
| Fund-based - LT-Cash Credit | | - | - | - | 30.00 | CARE BB; Stable |

Annexure-2: Rating history for last three years

| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings | | | Rating History | | | |
|---------|--|-----------------|------------------------------|-----------------|--|---|--|--|
| | | Type | Amount Outstanding (₹ crore) | Rating | Date(s) and Rating(s) assigned in 2025-2026 | Date(s) and Rating(s) assigned in 2024-2025 | Date(s) and Rating(s) assigned in 2023-2024 | Date(s) and Rating(s) assigned in 2022-2023 |
| 1 | Fund-based - LT-Cash Credit | LT | 30.00 | CARE BB; Stable | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (17-Dec-25) | 1)CARE B; Stable; ISSUER NOT COOPERATING* (25-Oct-24) | 1)CARE B+; Stable; ISSUER NOT COOPERATING* (15-Sep-23) | 1)CARE B+; Stable; ISSUER NOT COOPERATING* (10-Aug-22) |

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

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: NA

Annexure-4: Complexity level of instruments rated

| Sr. No. | Name of the Instrument | Complexity Level |
|---------|-----------------------------|------------------|
| 1 | Fund-based - LT-Cash Credit | Simple |

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

| | |
|--|---|
| <p>Media Contact</p> <p>Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in</p> <p>Relationship Contact</p> <p>Ankur Sachdeva Senior Director CARE Ratings Limited Phone: 912267543444 E-mail: Ankur.sachdeva@careedge.in</p> | <p>Analytical Contacts</p> <p>Arindam Saha Director CARE Ratings Limited Phone: + 91-033- 40181600 E-mail: arindam.saha@careedge.in</p> <p>Punit Singhania Associate Director CARE Ratings Limited Phone: + 91-033- 40181620 E-mail: punit.singhania@careedge.in</p> <p>Rajeev Jaiswal Analyst CARE Ratings Limited E-mail: Rajeev.jaiswal@careedge.in</p> |
|--|---|

About us:

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

Disclaimer:

This disclaimer pertains to the ratings issued and content published by CARE Ratings Limited ("CareEdge Ratings"). Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. Any opinions expressed herein are in good faith and are subject to change without notice. The rating reflects the opinions as on the date of the rating. A rating does not convey suitability or price for the investor. The rating agency does not conduct an audit on the rated entity or an independent verification of any information it receives and/or relies on for the rating exercise. CareEdge Ratings has based its ratings/outlook on the information obtained from reliable and credible sources. CareEdge Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. The users of the rating should rely on their own judgment and may take professional advice while using the rating in any way. CareEdge Ratings shall not be liable for any losses that user may incur or any financial liability whatsoever to the user of the rating. The use or access of the rating does not create a client relationship between CareEdge Ratings and the user.

CAREEDGE RATINGS DISCLAIMS WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR OTHER WARRANTIES OR CONDITIONS, TO THE EXTENT PERMITTED BY APPLICABLE LAWS, INCLUDING WARRANTIES OF MERCHANTABILITY, ACCURACY, COMPLETENESS, ERROR-FREE, NON-INFRINGEMENT, NON-INTERRUPTION, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR INTENDED USAGE.

Most entities whose bank facilities/instruments are rated by CareEdge Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CareEdge Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. CareEdge Ratings does not act as a fiduciary by providing the rating. The ratings are intended for use only within the jurisdiction of India. The ratings of CareEdge Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades. CareEdge Ratings has established policies and procedures as required under applicable laws and regulations which are available on its website.

Privacy Policy applies. For Privacy Policy please refer to https://www.careratings.com/privacy_policy

© 2026, CARE Ratings Limited. All Rights Reserved.

This content is being published for the purpose of dissemination of information required as per applicable law and regulations and CARE Ratings Limited holds exclusive copyright over the same. Any reproduction, retransmission, modification, derivative works or use or reference to the contents, in whole, in part or in any form, is prohibited except with prior express written consent from CARE Ratings Limited.

**For detailed Rating Report and subscription information,
please visit www.careratings.com**