

Dina Iron & Steel Limited

September 29, 2026

Facilities	Name of the Regulator ¹	Amount (₹ crore)	Rating ²	Rating Action
Long-term bank facilities	RBI	-	-	Reaffirmed at CARE BB+; Stable and Withdrawn

Details of facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has reaffirmed and withdrawn the outstanding ratings of 'CARE BB+; Stable' (Double B Plus; Outlook: Stable) assigned to the bank facilities of Dina Iron & Steel Limited (DISL) with immediate effect. The above action has been taken at the request of DISL and 'No Objection Certificate' received from the lender that have extended the facilities rated by CareEdge Ratings.

Reaffirmation of the ratings assigned to the bank facilities of DISL takes into consideration the company's profitability being susceptible to volatility in the prices of raw materials, moderate scale of operation, moderate capital structure and debt coverage indicators and cyclicity associated with steel industry. However, the ratings continue to derive strength from experience of the promoters with satisfactory track record of operations, partially integrated operation with satisfactory capacity utilisation, diversified supplier and customer base and favourable location of the plant.

Analytical approach: Standalone.

Outlook: Stable

Stable outlook reflects the ability of the company to maintain consistent operating performance and profitability levels while continuing to benefit from the experience of its promoters and established market reputation.

Detailed description of key rating drivers

Key weaknesses

Profitability susceptible to volatility in raw material prices

The primary raw material required by DISL is sponge iron, the prices of which are volatile in nature. In FY26, raw material consumption constituted approximately 87% of the company's total cost of sales, compared to 82% in FY25. Accordingly, the profitability of DISL is susceptible to volatility in the prices of its raw materials as it is one of the major cost drivers of the company. DISL procures its key raw materials such as sponge iron and pig iron from suppliers spread across nearby regions and the purchases are made either in cash or at most on short credit period ranging from 2-5 days.

Moderate scale of operation

The scale of operations stood stable at ₹173.53 crore in FY26 (PY: ₹168.34 crore). DISL discontinued its royalty based agreement with Kamdhenu group from April, 2023 and started selling its products under brand name "Vijay TMT". The PBILDT margin also remained stable at 3.38% in FY26 (PY: 3.37%).

Moderate capital structure and debt coverage indicators

The company's capital structure is marked moderate by overall gearing of 1.26x as on March 31, 2026, as against 1.42x as on March 31, 2025. Consequently, Total debt to Gross cash accruals also remained moderate at 11.73x as on March 31, 2026 as against 11.44x as on March 31, 2025.

Cyclicity associated with the steel industry

The steel industry is inherently sensitive to fluctuation in business cycles, which are influenced by macroeconomic conditions, interest rates and seasonal changes in the demand and supply conditions in the market. Apart from the demand side fluctuations, the capital-intensive nature of steel projects along-with the inordinate delays in the completion impact the responsiveness of supply side to demand movements. Furthermore, the producers of finished steel & related products like DISL are essentially price

¹SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

²Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

takers in the market (i.e. their fortune depends upon the construction industry), which directly expose their cash flows and profitability to the volatility of the end user industry.

Key strengths

Experienced promoters with satisfactory track record of operations

DISL is managed by Mr. Sanjay Kumar Bhartiya (Promoter) with adequate support from Mr. Prashant Kumar Bhartiya, (brother of Mr. Sanjay Kumar Bhartiya). The company started its operation in 1999 and accordingly has a track record of more than two decades. Mr. Sanjay Kumar Bhartiya, the promoter of the company, has been associated with Iron and Steel Industry for about 3 decades.

Partially integrated operation with satisfactory capacity utilization

DISL has a partial integrated method for production of TMT bars and wire rods by captive manufacturing of billets rather than procuring it from the market leading to reduction in operating cost and increase its profitability. The overall capacity utilisation stood at ~33.98% in FY25 (PY: 30.97%). In Q1FY26, the capacity utilisation stood at 51.13%.

Diversified supplier and customer base

DISL purchases its primary raw materials such as sponge iron and pig iron from a diversified network of suppliers. No single supplier contributed more than approximately 23% of the total raw material purchases in FY25 (FY24: contributed less than 28%). The diversified network of suppliers mitigates supply chain risks. The customer base is also well diversified, with no individual customer accounted more than 15% of revenue in FY25 (FY24: accounted less than 13%). The distribution of revenue across multiple clients reduces dependency on any single customer and supports stable business performance.

Favourable locational advantage

The plant location is favourable in terms of readily availability of raw materials such as sponge iron, pig iron etc. Since the states like Bihar, Jharkhand and Odisha are enriched with iron ore, the steel industry has been flourishing in the region which ensures the abundant supply of aforesaid raw materials in the vicinity resulting in cheaper transportation cost. Further, the plant benefits from its closeness to densely populated area such as Patna, where there is easy availability of skilled labour at reasonable wages.

Liquidity: Adequate

Liquidity is marked adequate as company generated GCA of ₹3.30 crore in FY26 as against debt repayment obligations of ₹0.88 crore. In FY27, the company is expected to generate sufficient GCA against debt repayment obligations of ₹0.88 crore. The average utilisation of working capital limits stood around 67% for last 12 months ended June 2026.

Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Withdrawal Policy](#)

[Iron & Steel](#)

About the company and industry

Industry classification

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

DISL is promoted by Bhartiya family of Patna and was incorporated in July 1992 as JM Dina Ispat Ltd. (JMDIL) to set up a manufacturing unit for iron and steel products. The company has setup its manufacturing facility (Rolling Mill) at Didarganj in Patna with present installed capacity of 60,000 MTPA for Mild Steels Billets, 108,000 MTPA for TMT Bars & Wires. DISL uses billets mainly for captive purpose for manufacturing of TMT bars and wires. The day-to-day affairs of the company are looked after by Mr. Sanjay Kumar Bhartiya with adequate support from his brother Mr. Prashant Kumar Bhartiya, and a team of experienced professionals.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (A)
Total operating income	168.34	173.53
PBILDT*	5.67	5.86
Profit after tax (PAT)	2.28	2.28
Overall gearing (x)	1.42	1.26
Interest coverage (x)	2.26	1.94

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

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

Status of non-cooperation with previous CRA: Not Applicable.

Any other information: Not Applicable.

Rating history for last three years: Annexure-2

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

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of the regulators:

A list of facilities / instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit	RBI	Simple	-		-	-	0.00	Withdrawn
Fund-based - LT-Cash Credit	RBI	Simple	-		-	-	0.00	Withdrawn
Fund-based - LT-Term Loan	RBI	Simple	-		-	March 2028	0.00	Withdrawn

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 2026-2027	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
1	Fund-based - LT-Cash Credit	LT	-	-	1)CARE BB+; Stable (29-Sept-26)	1)CARE BB+; Stable (28-Aug-25)	1)CARE BB+; Stable (07-Oct-24)	1)CARE BB+; Stable (06-Sep-23)
2	Fund-based - LT-Term Loan	LT	-	-	1)CARE BB+; Stable (29-Sept-26)	1)CARE BB+; Stable (28-Aug-25)	1)CARE BB+; Stable (07-Oct-24)	1)CARE BB+; Stable (06-Sep-23)
3	Fund-based - LT-Cash Credit	LT	-	-	1)CARE BB+; Stable (29-Sept-26)	1)CARE BB+; Stable (28-Aug-25)	1)CARE BB+; Stable (07-Oct-24)	1)CARE BB+; Stable (06-Sep-23)

LT: Long term.

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable.**Annexure-4: 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.

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