



Press Release
STEEL HOUSE
June 27, 2025
Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	78.90	ACUITE BB+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	78.90	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-
* The issuer did not co-operate; based on best available information.			

Rating Rationale

Acuité has downgraded its long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE A-**' (read as **ACUITE A minus**) on the Rs. 78.90 Cr. bank facilities of Steel House (SH).

The rating is now flagged as "Issuer Not-Cooperating" and is based on the best information available. The rating has been downgraded on account of information risk.

About the Company

Established in 1984, Steel House is a Bangalore (Karnataka) based partnership entity engaged in the trading of flat steel products. The entity also provides value added services such as 'cut to size' as per customer's requirements. The entity has installed capacity of 15,000 tons per month to provide value added services at its facility in Jigani (Karnataka). The day-to-day operations are managed by its partner Mr. Vishal Gupta, son of founding partner Mr. Mahendra Kumar Gupta.

Unsupported Rating

Not applicable

Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date. Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Limitation regarding information availability

This rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuité endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities

"No information provided by the issuer / available for Acuite to comment upon."

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook: Not applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	641.98	547.13
PAT	Rs. Cr.	44.88	39.16
PAT Margin	(%)	6.99	7.16
Total Debt/Tangible Net Worth	Times	0.56	0.61
PBDIT/Interest	Times	8.27	6.86

Status of non-cooperation with previous CRA

Not applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entitie: <https://www.acuite.in/view-rating-criteria-61.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
05 Apr 2024	Secured Overdraft	Long Term	49.00	ACUITE A- Stable (Reaffirmed)
	Bills Discounting	Long Term	1.50	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	7.18	ACUITE A- Stable (Reaffirmed)
	Channel/Dealer/Vendor Financing	Long Term	10.00	ACUITE A- Stable (Reaffirmed)
	Channel/Dealer/Vendor Financing	Long Term	10.00	ACUITE A- Stable (Reaffirmed)
	Channel/Dealer/Vendor Financing	Long Term	1.22	ACUITE A- Stable (Reaffirmed)
06 Jan 2023	Secured Overdraft	Long Term	37.00	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	Bills Discounting	Long Term	1.50	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	Term Loan	Long Term	5.41	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	Term Loan	Long Term	7.99	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	Channel/Dealer/Vendor Financing	Long Term	12.00	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	Channel/Dealer/Vendor Financing	Long Term	15.00	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Kotak Mahindra Bank	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.50	Simple	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE A-)
ICICI Bank Ltd	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE A-)
Axis Bank	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE A-)
Indusind Bank Ltd	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.22	Simple	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE A-)
Kotak Mahindra Bank	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	49.00	Simple	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE A-)
Kotak Mahindra Bank	Not avl. / Not appl.	Term Loan	03 May 2021	Not avl. / Not appl.	30 Apr 2026	7.18	Simple	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE A-)

* The issuer did not co-operate; based on best available information.

Contacts

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About Acuité Ratings & Research

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