



**Press Release**  
**HEENA STEEL LLP**  
**January 23, 2026**  
**Rating Reaffirmed & Withdrawn**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	84.00	ACUITE BB   Reaffirmed & Withdrawn	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	84.00	-	-

**Rating Rationale**

Acuite has reaffirmed and withdrawn its long-term rating of '**ACUITE BB**' (read as **ACUITE Double B**) on the Rs.84.00 Cr. bank facilities of Heena Steel LLP (HS). The rating is being withdrawn on account of request received from the company and No Objection Certificate (NOC) received from the bankers. The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating as applicable to the respective facility / instrument.

**Rationale for rating**

The rating reaffirmation reflects the firm's adequate liquidity position supported by steady cash accruals, sufficient cash balances, and moderate reliance on working capital limits. The working capital cycle is efficient along with timely customer collections and moderate utilization of facilities. The financial risk profile remains moderate, characterized by stable net worth, high gearing, and moderate debt protection metrics. However, the rating also factors in the declining revenue trend, primarily driven by lower sales volumes and realizations, along with thin profitability margins inherent to the trading nature of operations and susceptibility of profitability to volatility in raw material prices.

**About the Company**

HS is a partnership firm which got established in the year 2017 by Mr. Bharat J. Bhuta & Mr. Bhavin B. Bhuta and is engaged into the trading and distribution of iron and steel products. The firm is based out in Mumbai and is an authorized distributor of various grades of TMT bars of JSW Steel Ltd. by catering to top project customers in various segments in Mumbai as well as all over Maharashtra with original brand name JSW TMT Plus FE-500 D.

**Unsupported Rating**

Not Applicable

**Analytical Approach**

Acuite has considered the standalone view of the business and financial risk profile of HS to arrive at the rating.

**Key Rating Drivers**



### **Established track record along with experienced management**

HS is engaged into the trading and distribution of iron and steel products since 2017. The firm is managed by the partners Mr. Bharat J. Bhuta and Mr. Bhavin B. Bhuta who possess nearly five decades and two decades of experience in the iron and steel trading industry. The partners are being supported by its team of experienced professionals in managing day to day operations of HS. The extensive experience of the partners has enabled HS to establish a healthy relationship with its customers and suppliers.

### **Efficient working capital operations**

The firm has an efficient working capital operation along with moderate reliance on working capital limits. The GCA days stood at 66 days in FY2025 against 57 days in FY2024. The inventory days stood at 43 days in FY2025 against 41 days in FY2024. The debtor days stood at 15 days in FY2025 against 11 days in FY2024. The firm typically receives payments from its customers within 30 days. The creditor days stood at 1 days in FY2025 and FY2024. The utilization of the working capital limits stood moderate at ~45.83% in the last 6 months ending December 2025.

### **Weaknesses**

#### **Declining revenue and thin margins**

The revenue of the firm is declining Y-o-Y from the past three fiscal years and stood at Rs.629.10 Cr. in FY2025 against Rs.737.61 Cr. in FY2024. The decline in the revenue is primarily attributable to decline in the sales volume along with price realisations during the year. The 9MFY2026 revenue stood at ~Rs.575 Cr. The operating profit margin of the company stood at 2.21 percent in FY2025 against 2.44 percent in FY2024. The PAT margin stood at 0.98 percent in FY2025 against 1.20 percent in FY2024. The profitability margins of the firm are thin as it is into trading segment.

#### **Moderate financial risk profile**

The firm has a moderate financial risk profile marked by moderate net worth, debt protection metrics and high gearing. The tangible net worth stood at Rs.31.59 Cr. as on March 31, 2025, as compared against Rs.30.42 Cr. as on March 31, 2024. The gearing level stood high at 2.53 times as on 31 March 2025 as against 2.66 times as on 31 March 2024. The debt coverage indicators are moderate with interest coverage ratio at 3.10 times in FY2025 against 3.99 times in FY2024 and debt service coverage ratio at 2.38 times in FY2025 against 2.94 times in FY2024. The total outside liabilities to tangible net worth (TOL/TNW) stood at 2.66 times as of March 31, 2025.

#### **Cyclical and competitive nature of steel industry**

The steel long products industry is intensely competitive, with many organized and unorganized players especially in the secondary/steel re-rolling business, which is less capital intensive. HS operates in a highly competitive steel industry thereby putting pressure on pricing power. In addition, the industry is reeling under the pressure of cheaper imports. The performance is linked to the steel industry which is cyclical in nature as well as end user industries such as real estate, infrastructure and construction. However, this risk is mitigated as the infrastructure industry is booming and the demand is much on a higher side backed by government initiatives for the upcoming years.

### **Rating Sensitivities**

Not Applicable

### **Liquidity Position**

#### **Adequate**

The firm has an adequate liquidity position marked by net cash accruals of Rs.6.38 Cr. in FY2025 against no maturing debt obligations during the same period. The firm maintained unencumbered cash and bank balances of Rs.3.13 Cr. as on March 31, 2025. The current ratio stood moderate at 1.41 times as on March 31, 2025. The reliance on working capital limit is

moderate with average utilization of ~45.83% over the last 6 months ending December 2025.

**Outlook: Not Applicable**

**Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	629.10	737.61
PAT	Rs. Cr.	6.16	8.88
PAT Margin	(%)	0.98	1.20
Total Debt/Tangible Net Worth	Times	2.53	2.66
PBDIT/Interest	Times	3.10	3.99

### Status of non-cooperation with previous CRA (if applicable)

Not Applicable

### Any other information

None

### Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Trading Entities: <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, Acuite 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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
05 Nov 2025	Cash Credit	Long Term	15.00	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+   Stable)
	Channel/Dealer/Vendor Financing	Long Term	15.00	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+   Stable)
	Channel/Dealer/Vendor Financing	Long Term	15.00	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+   Stable)
	Channel/Dealer/Vendor Financing	Long Term	5.00	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+   Stable)
	Cash Credit	Long Term	22.00	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+   Stable)
	Channel/Dealer/Vendor Financing	Long Term	12.00	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+   Stable)
14 Aug 2024	Cash Credit	Long Term	15.00	ACUITE BB+   Stable (Upgraded from ACUITE BB-)
	Channel/Dealer/Vendor Financing	Long Term	15.00	ACUITE BB+   Stable (Upgraded from ACUITE BB-)
	Cash Credit	Long Term	22.00	ACUITE BB+   Stable (Upgraded from ACUITE BB-)
	Channel/Dealer/Vendor Financing	Long Term	12.00	ACUITE BB+   Stable (Upgraded from ACUITE BB-)
	Channel/Dealer/Vendor Financing	Long Term	15.00	ACUITE BB+   Stable (Upgraded from ACUITE BB-)
	Channel/Dealer/Vendor Financing	Long Term	5.00	ACUITE BB+   Stable (Upgraded from ACUITE BB-)
07 Jun 2024	Cash Credit	Long Term	15.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
	Channel/Dealer/Vendor Financing	Long Term	15.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
	Channel/Dealer/Vendor Financing	Long Term	15.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
	Cash Credit	Long Term	22.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
	Channel/Dealer/Vendor Financing	Long Term	12.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
	Channel/Dealer/Vendor Financing	Long Term	5.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
10 Mar 2023	Cash Credit	Long Term	22.00	ACUITE BB   Stable (Assigned)
	Channel/Dealer/Vendor Financing	Long Term	12.00	ACUITE BB   Stable (Assigned)
	Channel/Dealer/Vendor Financing	Long Term	5.00	ACUITE BB   Stable (Assigned)
	Cash Credit	Long Term	15.00	ACUITE BB   Stable (Assigned)
	Channel/Dealer/Vendor Financing	Long Term	15.00	ACUITE BB   Stable (Assigned)
	Channel/Dealer/Vendor Financing	Long Term	15.00	ACUITE BB   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
AXIS BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE BB   Reaffirmed & Withdrawn
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	22.00	Simple	ACUITE BB   Reaffirmed & Withdrawn
YES BANK LIMITED	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	12.00	Simple	ACUITE BB   Reaffirmed & Withdrawn
ICICI BANK LIMITED	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE BB   Reaffirmed & Withdrawn
AXIS BANK LIMITED	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE BB   Reaffirmed & Withdrawn
Bank Of Baroda	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE BB   Reaffirmed & Withdrawn

## Contacts

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### About Acuité Ratings & Research

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