REGD. OFFICE & WORKS: Plot No. 2, G.I.D.C. Estate, Palej, Dist. Bharuch – 392 220, Gujarat, India.
Visit us on: www.steelcogujarat.com E-mail: sglbaroda@gmail.com CIN No.: L27110GJ1989PLC011748, LEI No. 894500QXPSPYLV4LU325, GST No. 24AADCS0880L2Z7

Date: 1st April, 2026

The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Tower,
Dalal Street, Fort,
Mumbai – 400001

Ref:-
Scrip Code: 977444
ISIN: INE629B07013

Dear Madam/Sir,

Sub: Intimation of Credit Rating under Regulation 55 and 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/ Madam,

Pursuant to regulation 55 and 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations'), and SEBI Master circular bearing reference no. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2025/0000000103 dated July 11, 2025, as amended, this is to inform you that the Credit Rating of the Company has been affirmed by Brickwork Ratings India Pvt. Ltd as mentioned below:

Instrument	Size of issue	Rating	Rating Action
Non-Convertible Debentures	160 crores	BWRB+ Negative	Final rating affirmed at BWRB+/ Outlook revised from Stable to Negative

Please find enclosed a copy of aforesaid rating from Brickwork Ratings India Pvt. Ltd.

Kindly take the above information on record.

Thanking you.
For Steelco Gujarat Limited

ANOOP KUMAR SAXENA
Digitally signed by ANOOP KUMAR SAXENA
Date: 2026.04.01 12:47:33 +05'30'

Anoop Kumar Saxena
Managing Director
DIN: 10311727

Corporate Office:
4th Floor, Marble Arch, Race Course Circle, Vadodara – 390 007, Gujarat. Phone: 0265-2965381

Rating Rationale **31 March 2026**

Steelco Gujarat Ltd (SGL)

Brickwork Ratings affirms the BWR B+ ratings for the Non Convertible Debentures of Rs. 160 crore of Steelco Gujarat Ltd, and converts the earlier awarded provisional rating to final ratings. The rating outlook is revised from Stable to Negative.

Instrument**	Previous Amount (Rs. Crs)	Present Amount (Rs. Crs)	Tenure	Previous Rating (11 Dec 2025)	Present Rating*
Non-Convertible Debentures	160.00	**160.00#**	Long-Term	Provisional BWR B+/Stable ; Assignment	**Final rating affirmed at BWRB+/ Outlook revised from Stable to Negative^**
Total	160.00	**160.00#**		**(Rupees One hundred Sixty Crores Only)**	

*Please refer to BWR website **www.brickworkratings.com**/ for definition of the ratings
**Details of rated NCDs are provided in Annexure-II.
^ The provisional rating assigned previously is affirmed based on the Finalization of documents such as the Debenture Trust deed, Term Sheet, General Information document, Key Information Document and no major variation observed in draft and Final terms as per these documents.
#The company has issued 16,000 non convertible debenture of face value of Rs. 1,00,000 (Indian Rupees One Lakh) each, aggregating to upto Rs.160.00crs (Indian Rupees One Hundred Sixty Crores) Debentures to India Resurgence fund 2 -Scheme 2 (Allottee 1) and India Resurgence Fund 2 Scheme 2 (Allottee 2) on private placement basis on 1st January 2026 The same has been issued as partly paid up debenture of partly paid up value of Rs.87,500(Indian Rupees eighty seven thousand five only) each, for partly paid up amount of Rs.140.00/-crs (Rs. One hundred Forty crore Only). The coupon payment is quarterly, and the first payment shall be on 5th April 2026.

RATING ACTION / OUTLOOK

Conversion of provisional ratings into Final ratings is based on the Finalization of all documents, such as the Debenture trust deed, Key Information document, General information document, Term sheet and no major variation observed in draft and Final terms as per these documents.

BWR has assigned a provisional rating of BWR B+ to the proposed NCD of Rs 160.00 cr of Steelco Gujarat Ltd, as documents such as the debenture trust deed, term sheet, Key Information document, and General Information document were not finalised and are now finalised; thus, the long-term ratings are affirmed at BWR B+. The outlook has been revised from Stable to Negative, considering there is a delay in stabilisation of operation, and achieving the scale earlier envisaged.

The ratings take into account the successful takeover of the company by new management and the start of operations, Established product line, listing status of the company and also the constraints such as the execution risk during plant recommissioning, weak credit profile due to carry forward losses and dependency on external finances till the operations become sustainable

KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED:

Particulars	Terms and Conditions
Financial Covenants	a)Net Debt of the Issuer to EBITDA of the Issuer shall be tested on and from October 31, 2026 and shall: (i) not exceed 4.5:1 for the period from January 1, 2026 to October 31, 2026; (ii) not exceed 4.25:1 for each of the Fiscal Quarters ending December 31, 2026; March 31, 2027 and June 30, 2027; (iii) not exceed 3.75:1 for each of the Fiscal Quarters ending September 30, 2027; December 31, 2027 and March 31, 2028; (iv) not exceed 3.5:1 thereafter until the Final Settlement Date. b)The Interest Coverage Ratio shall be tested on and from October 31, 2026 and shall: (i) not fall below 1.75:1 till December 31, 2026; (ii) not fall below 2:1 for the period starting from January 1, 2027 and ending on December 31, 2027; and (iii) not fall below 2.5:1 thereafter until the Final Settlement. The ratio is now defined as "Net Capital/ (Fixed Interest Payable)

KEY RATING DRIVERS

Credit Strengths-:

Benefit from Existing Brand Name and Market Recognition:

Steelco Gujarat benefits from its long-standing presence in the steel processing industry, providing it with an established brand recall among customers, suppliers, and channel partners. Its historical operations in cold-rolled and galvanised steel have helped retain market familiarity, which supports the company's ability to re-enter the market after a prolonged shutdown.

Product Range and Technical Capability:

The company has a diversified product portfolio, and the planned capability to produce ultra-thin steel of 0.1 mm through the Hitachi mill places it in a niche segment with limited domestic competition. This value-added product range is expected to improve margins and enhance Steelco's competitive positioning once operations stabilise.

Credit Weaknesses-:

Operations Not Yet Fully Started:

The company remains in the early stages of revival, with operations yet to stabilise and full-scale production still pending, exposing it to execution risks during the plant recommissioning phase.

Dependency on External Finance:

SGL's ability to ramp up production and stabilise operations is contingent upon timely funding and support for working capital, refurbishment, and operational needs. This dependence heightens liquidity risks until cash flows from operations become sustainable.

Weak Credit Profile and Refinancing Risk:

The company's credit profile remains weak with a negative TNW of Rs . 40.70 cr as on 31st March

25, and Rs. 53.22 for H1FY'26, due to losses carried forward from the previous year of operations. The company incurred losses in H1FY26 of Rs. 12.52cr. The improvement in the credit profile will depend on the timely operational ramp-up and consistent revenue generation under the new management.

Analytical Approach and Applicable Criteria: BWR has applied a Standalone approach to arrive at the ratings. Links to applicable criteria are at the bottom of the rationale.

RATING SENSITIVITIES

Positive Sensitivities:
Tangible net worth turning positive and ISCR and DSCR remaining above 1.20 and 1.10, respectively
Negative Sensitivities:
Delay in scaling up and stabilising the operations beyond FY'26 owing to a delay in tying up funding or any other operational reasons

LIQUIDITY INDICATORS: Stretched
The company has successfully recommenced operations under the new management and is concentrating on completing the repair and upgradation work necessary to achieve a sustainable scale of operations. For the fiscal year 2026 (FY'26), the company is anticipated to report negative cash accruals due to the delayed ramp-up of operations. The company has also procured high-cost Non-Convertible Debentures (NCDs), which will provide immediate liquidity; however, interest payments are projected to commence from early FY'27. Upon the scheduled commencement of debt repayment, inclusive of the redemption premium, the company is expected to encounter difficulties in servicing its debt obligations, and the projected Debt Service Coverage Ratio (DSCR) for FY'29 and subsequent years is anticipated to remain below unity. Nevertheless, the company is expected to be able to refinance the debt with relative ease, as operations will be fully established, and the company is projected to have secured a market position by that time.

Company profile:

Macro Economic Indicator	Sector	Industry	Basic Industry
Industrials	Capital Goods	Industrial Products	Iron & Steel Products

Steelco Gujarat is engaged in the production of value-added, colour-coated Cold Rolled Coils and galvanised coils. The company possesses the capacity to process 4,00,000 Metric Tonnes (MT) of Coils per annum, with its manufacturing facility situated in GIDC Estate, Palej District, Bharuch, Gujarat, India.
The company has been operational since 1989 and was listed on the Bombay Stock Exchange (BSE) in 1997. The company had previously defaulted on its debt obligations between the fiscal years 2016 and 2019, leading to its subsequent admission to the National Company Law Tribunal (NCLT) by its financial creditors in 2020. The resolution process for the company was concluded

in July 2023, and the company's control was subsequently transferred to Next Orbit Growth Fund III, effective November 2023.

ESG Profile:

The company demonstrates an evolving ESG profile based on its environmental, social, and governance practices.

Environmental: The environmental profile is evolving, with operations recently recommenced and practices largely expected to be compliance-driven. While the company is presumed to adhere to applicable environmental regulations (no adverse observations reported), limited information is available regarding energy efficiency initiatives, use of renewable energy, and structured water and waste management systems. Exposure to environmental and climate-related risks exists given the nature of the steel processing industry, with mitigation frameworks yet to be fully established. Enhanced focus on sustainability practices and disclosures remains a key monitorable.

Social: The social profile is evolving, supported by expected adherence to statutory labour laws and implementation of basic health and safety measures as operations scale up (assumed Compliant). However, given the nascent stage of operations, limited visibility on formal employee development initiatives, workforce diversity, and community engagement activities constrain the assessment. Strengthening of human capital policies and safety frameworks as operations stabilise will remain important.

Governance: The governance profile is evolving, with the company undergoing transition following acquisition through the insolvency resolution process. The evolving nature of management and dependence on external funding highlight the need for strengthening governance practices, transparency, and internal control systems.

Key Financial Indicators: Standalone

Key Parameters	Units	FY2024	FY2025	H1FY26
Result Type	**–**	**Audited**	**Audited**	**Unaudited**
Total Operating Income	Rs. Cr	0.31	4.81	19.36
EBITDA	Rs. Cr	-1.34	-8.78	-6.67
PAT	Rs. Cr	165.41	-20.54	-12.52
Tangible Net Worth	Rs. Cr	-21.06	-40.70	-53.22
TOL/TNW	Times	-2.53	-1.73	-1.14
Current Ratio	Times	1.30	0.82	0.92

Non-cooperation with a previous credit rating agency (CRA): Not Applicable

Any other information: Nil

Rating history for the previous three years (Including withdrawal & suspended):

Sl. No.	Instrument	Current Rating (2026)				Rating History			
		Type	Amount (Rs. Crs.)	Rating	11Dec 2025	8th Dec 2025	04 June 2025	25 April 2024	27Jan 2023
1	Non Convertible Debentures	Long Term	160	Final rating affirmed at BWR B+/ outlook revised from Stable to Negative	Provisional BWR B+ /Stable ; Assignment	Withdrawal	BWR D/ Reaffirmation/ Issuer Not Cooperating*	BWR D/ Reaffirmation/ Issuer Not Cooperating*	BWR D /Reaffirmation/ Issuer Not Cooperating*
Total			**160**	**(Rupees One Hundred Sixty Crores Only)**					

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

Complexity Level: Complex (Put and call options).

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at https://www.brickworkratings.com/download/ComplexityLevels.pdf.
Investors' queries can be sent to info@brickworkratings.com.

Hyperlink/Reference to applicable criteria

- **General Criteria**
- **Approach to Financial Ratios**
- **Policy on Provisional ratings**
- **Manufacturing Companies**

Analytical Contacts	
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1-860-425-2742	**I** **media@brickworkratings.com**

Steelco Gujarat Ltd

ANNEXURE I - Details of Facilities rated by BWR: Not applicable

Annexure II: Instrument (NCD/Bonds/CP/FDs) Details:

Instrument	Issue Date	Amount Rs Crs	Coupon Rate	Maturity Date	ISIN Particulars	Remarks
Non Convertible Debentures	01-01-2026	160.00*	Fixed Interest Rate: 6% -Year 1 8%-Year 2 10%-Expiry of year 2 until final settlement	31-12-2030	INE629B07013	-
Total		160.00*	Rupees One Hundred and Sixty Crores Only			

**The company has issued 16,000 non convertible debenture of face value of Rs. 1,00,000 (Indian Rupees One Lakh) each, aggregating to upto Rs.160.00crs (Indian Rupees One Hundred Sixty Crores) Debentures to India Resurgence fund 2 -Scheme 2 (Allottee 1) and India Resurgence Fund 2 Scheme 2 (Allottee 2) on private placement basis on 1st January 2026 The same has been issued as partly paid up debenture of partly paid up value of Rs.87,500(Indian Rupees eighty seven thousand five only) each, for partly paid up amount of Rs.140.00/-crs (Rs. One hundred Forty crore Only). The coupon payment is quarterly, and the first payment shall be on 5th April 2026.*

ANNEXURE III
List of entities consolidated: Not Applicable

For print and digital media
The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

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