

February 03, 2025

Sunvik Steels Private Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long term fund-based term loan	164.07	164.07	[ICRA]A-(Stable); withdrawn
Long term/Short term fund-based limits	120.00	120.00	[ICRA]A-(Stable)/[ICRA]A2+; withdrawn
Long term/Short term non-fund based limits	15.00	15.00	[ICRA]A-(Stable)/[ICRA]A2+; withdrawn
Total	299.07	299.07	

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of Sunvik Steels Private Limited at the request of the company and based on the no-objection certificate received from the bankers, and in accordance with ICRA's policy on withdrawal.

ICRA is withdrawing the rating and it does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The key rating drivers, liquidity position, rating sensitivities and the key financial indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Policy On Withdrawal Of Credit Rating
Parent/Group Support	Not applicable
Consolidation/Standalone	Standalone

About the company

SSPL, incorporated in 2003, manufactures sponge iron, billets and TMT bars. The company's manufacturing unit is in Tumkur district, Karnataka, and supplies TMT bars and other products all over Karnataka and other states in South India. The capacities include 90,000 MTPA of sponge iron, 1,50,000 MTPA of billets (to be expanded by 50,000 MT in December 2023), 1,50,000 MTPA of TMT bars and wire rod mill of 70,000 MTPA (operationalised in the current fiscal). The company also has a 10-MW waste heat recovery boiler, 10-MW captive solar plant (increased by 5 MW in the current fiscal) and 8-MW captive wind power plant. The company sells its TMT bars under the brand names, Sunvik and Om Sai.

Status of non-cooperation with previous CRA: None

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2025)		Chronology of rating history for the past 3 years				
	Type	Amount rated (Rs. crore)	Date & rating in FY2025	Date & rating in FY2024		Date & rating in FY2023	Date & rating in FY2022
			Feb 3, 2025	13-Dec-2023	07-Dec-2023	-	-
1 Fund-based term loan	Long term	164.07	[ICRA]A-(Stable); Withdrawn	[ICRA]A-(Stable)	[ICRA]A-(Stable)	-	-
2 Fund-based limits	Long term/ Short term	120.00	[ICRA]A-(Stable)/ [ICRA]A2+; Withdrawn	[ICRA]A-(Stable)/ [ICRA]A2+	-	-	-
3 Non-fund based limits	Long term/ Short term	15.00	[ICRA]A-(Stable)/ [ICRA]A2+; Withdrawn	[ICRA]A-(Stable)/ [ICRA]A2+	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term fund-based term loan	Simple
Long-term/Short-term fund-based limits	Simple
Long-term/Short-term non-fund based limits	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Term loan	FY2021	7.99-11.50%	FY2030	164.07	[ICRA]A-(Stable); withdrawn
NA	Working capital demand loan/Cash credit	-	-	-	120.00	[ICRA]A-(Stable)/[ICRA]A2+; withdrawn
NA	Letter of credit/Bank guarantee	-	-	-	15.00	[ICRA]A-(Stable)/[ICRA]A2+; withdrawn

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure-II: List of entities considered for consolidated analysis – Not applicable

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