

December 15, 2025

NMDC Steel Limited: Rating withdrawn

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
NCD Programme	523.80	523.80	[ICRA]BBB+; Rating Watch with Developing Implications; Withdrawn
Proposed Non-Convertible Debenture (NCD) Programme	0.20	0.20	[ICRA]BBB+; Rating Watch with Developing Implications; Withdrawn
Total	524.00	524.00	

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the ratings of [ICRA]BBB+; Rating Watch with Developing Implications assigned to the Rs. 523.80 crore NCD programme and Rs. 0.20 crore unplaced NCD of NMDC Steel Limited (NSL), as the NCD was fully redeemed. There is no outstanding amount against the rated instruments. The rating action is in accordance with ICRA's policy on withdrawal of credit ratings.

The key rating drivers, Liquidity position, rating sensitivities have not been captured as the rated instruments are being withdrawn.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 Rating Methodology for Iron & Steel Policy on Withdrawal of Credit Ratings
Parent/Group support	Parent/Group Company: Government of India (GoI) The GoI owns a 60.79% stake in NSL. ICRA also draws comfort from the managerial and operational support from NMDC Limited (a GoI entity) till the ownership is transferred to anew buyer
Consolidation/Standalone	The rating is based on the standalone financials of NSL

About the company

NMDC Steel Limited (NSL) was incorporated in October 2022 with an effective date of April 1, 2021. It is operating a 3.0-metric-tonne-per-annum (mtpa) greenfield integrated steel plant, designed through the blast furnace-basic oxygen furnace (BF-BOF) route at Nagarnar, near Jagdalpur, in the Bastar district of Chhattisgarh. The plant was commissioned on August 31, 2023. NSL's steel plant can produce 2.9 mtpa of finished steel products like HR coils, sheets and plates. The HR plates produced in the plant will be used to manufacture LPG cylinders, API grade pipes, bridges, steel structures, ships, large diameter pipes, storage tanks, boilers, railway wagons, automobiles and pressure vessels.

Key financial indicators (audited)

NMDC Steel Limited (Standalone)	FY2024	FY2025
Operating income	3,048.99	8,503.05
PAT	-1,560.32	-2,373.77
OPBDIT/OI	-46.9%	-21.0%
PAT/OI	-51.2%	-27.9%
Total outside liabilities/Tangible net worth (times)	0.85	1.05
Total debt/OPBDIT (times)	NM	NM
Interest coverage (times)	NM	NM

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; NM: not meaningful given operating loss

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current (FY2026)					Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	December 15, 2025	Date	Rating	FY2025		FY2024		FY2023	
						Date	Rating	Date	Rating	Date	Rating
NCD	Long Term	523.80	[ICRA]BBB+; Rating Watch with Developing Implications; withdrawn	June 03, 2025	[ICRA]BBB+ rating watch with developing implications	June 05, 2024	[ICRA]BBB+ rating watch with developing implications	Feb 05, 2024	[ICRA]A-rating watch with developing implications	Feb 06, 2023	[ICRA]A rating watch with developing implications
Proposed NCD	Long Term	0.20	[ICRA]BBB+; Rating Watch with Developing Implications; withdrawn	June 03, 2025	[ICRA]BBB+ rating watch with developing implications	June 05, 2024	[ICRA]BBB+ rating watch with developing implications	Feb 05, 2024	[ICRA]A-rating watch with developing implications	Feb 06, 2023	[ICRA]A rating watch with developing implications

Complexity level of the rated instruments

Instrument	Complexity indicator
NCD	Simple
Proposed NCD	Simple ¹

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](#)

¹ Complexity indicator is subject to change when the terms of the NCD are finalised

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
INE584A08010	NCD	August 28, 2020	9.05% ²	August 28, 2025	523.80	[ICRA]BBB+; Rating Watch with Developing Implications; Withdrawn
NA	Proposed NCD	-	-	-	0.20	[ICRA]BBB+; Rating Watch with Developing Implications; Withdrawn

Source: Company

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

² Post the occurrence of the demerger event, the coupon rate has been enhanced by 25 bps (over the base coupon rate of 7.30%) for each notch of rating downgrade below AAA category rating level.

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