SAMBHV
STEEL PIPES & TUBES | सब संभव है

August 17, 2026

To	**To**
Listing Compliance Department	**Listing Compliance Department**
BSE Limited	**National Stock Exchange of India Limited**
P J Towers, Dalal Street,	**Exchange Plaza, Bandra Kurla Complex,**
Mumbai - 400001	**Bandra (East), Mumbai– 400051**
Scrip Code: 544430	**Symbol: SAMBHV**

Dear Sir / Madam

Sub: Disclosure of update in Credit Rating under Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Pursuant to the provisions of Regulation 30 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that Crisil Ratings Limited ("Crisil Ratings"), has assigned the below ratings of Sambhv Steel Tubes Limited on August 17, 2026 as follows:

Facilities/Instruments	Amount(₹ Crore)	Rating
Long Term Rating	162.00	Crisil A+/Stable (Assigned)

We are enclosing herewith a copy of the Rating Rationale dated August 17, 2026, published by Crisil Ratings for your reference. The said intimation shall also be available on website of the company at www.sambhv.com.

This is for your information and records.

Thanking you,

For, Sambhv Steel Tubes Limited

NIRAJ SHRIVASTAVA
Digitally signed by NIRAJ SHRIVASTAVA
Date: 2026.08.17 18:53:39 +05'30'

Niraj Shrivastava
(Company Secretary and Compliance Officer)
Membership No. F8459

Crisil Ratings

Rating Rationale

August 17, 2026 | Mumbai

Sambhv Steel Tubes Limited

'Crisil A+ / Stable' assigned to Bank Debt

Rating Action

Total Bank Loan Facilities Rated	Rs.162 Crore	Regulator Of Instrument
Long Term Rating	Crisil A+/Stable (Assigned)	RBI

Note: None of the Directors on Crisil Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.
1 crore = 10 million
Refer to Annexure for Details of Instruments & Bank Facilities

Detailed rationale

Crisil Ratings has assigned its '**Crisil A+/Stable**' rating to the long-term bank facilities of Sambhv Steel Tubes Limited (SSTL).

The rating reflects the established market presence of the company, backed by the extensive industry experience of its promoters; integrated operations; and healthy financial risk profile. These strengths are partially offset by susceptibility to cyclicality in the end-user industries, and exposure to risks related to ongoing capital expenditure (capex) program.

Analytical approach

Crisil Ratings has combined the business and financial risk profiles of SSTL and its wholly owned subsidiary, Sambhv Tubes Ltd.

Please refer Annexure - List of Entities Consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

Key Rating Drivers - Strengths

Established market presence backed by the extensive experience of the promoters: The group is promoted by Raipur-based Goyal family, who has experience of over three decades in the steel sector with expertise across integrated rolled/structural steel products industry. This has given the promoters an understanding of the dynamics of the market and enabled them to establish a strong market position.

SSTL is one of the largest secondary-route integrated steel tubes manufactures of India, and has been able to sustain its strong growth momentum over the years, as reflected in a compound annual growth rate of 37% in revenue in the last three fiscals through 2026; to over Rs 2,400 crore. With the commissioning of the new value-added product lines and enhanced capacities in the third quarter of fiscal 2025, sales volumes increased by over 30% in fiscal 2026 from fiscal 2025; while higher blended realisations on account of improved product mix also aided revenue growth. Over the years, SSTL has gradually diversified beyond the traditional electric resistance welded (ERW) pipes into high-value stainless steel (SS) coils and pre-galvanised (GP) pipes and coils, reducing dependence on a single segment. With more than Rs 700 crore of topline and ~1.07 lakh tonne sales already registered in the first quarter of fiscal 2027, scale of operations is likely to grow 10-15% over the medium term.

Integrated operations: SSTL operates a highly integrated manufacturing setup, reducing dependence on raw materials and enabling better control over costs, quality, and delivery timelines. The company also benefits from strategic plant locations in Chhattisgarh (close to iron ore and coal sources), resulting in lower logistics costs and efficient procurement. SSTL's current ERW pipes capacity of 3.5 lakh tonne per annum (TPA) and SS coils capacity of 1.16 lakh TPA are mostly integrated, backed by upstream capacities of 4.5 lakh TPA, 3.6 lakh TPA and 2.8 lakh TPA for hot-rolled (HR) coils, blooms/slabs, and sponge iron, respectively. Captive power plant of 25 megawatt (MW) also supports operating efficiency by minimising the dependence on external power.

With improving sales contribution from high-value SS products over the last few quarters, and declining intermediate product sales reflecting increased captive consumption and greater value addition; earnings before interest, tax, depreciation, and amortisation (Ebitda) per tonne also improved significantly from ~Rs 5,300 during fiscal 2025 to ~Rs 8,000 during fiscal 2026, and more than Rs 9,000 in the first quarter of fiscal 2027. Considering increasing contribution from SS products and high levels of integration over the medium term, Ebitda per tonne is likely to remain healthy, strengthening the operating efficiency; with Ebitda margin of 12-13%.

Healthy financial risk profile: The company's balance sheet strengthened materially following the Rs 440 crore IPO in July 2025, with significant increase in networth and reduction in gearing. The group's capital structure was healthy, yielding gearing of 0.4 time and total outside liabilities to adjusted networth ratio of 1 time as of March 2026 (1.1 times and 1.9 times, respectively, as of March 2025). With most of its existing term debt having been repaid, the company is contracting new term debt of ~Rs 815 crore over the medium term to fund its ongoing greenfield and brownfield capex projects. Nevertheless, healthy accretion to reserve and a strong tangible networth of over Rs 1,000 crore as of March 2026 should continue to support its capital structure.

Key Rating Drivers - Weaknesses

Susceptibility of operating margin to volatility in prices, and vulnerability to cyclicality in the end-user industries: Cost of production and profit margin remain susceptible to raw material prices such iron ore and coal, and to volatility of HR coil prices. This was last witnessed in the third quarter of fiscal 2026 when the company's profitability was impacted, with decline in Ebitda per tonne to Rs 5,245 due to a sharp drop in HR coil prices and volatility in SS prices. Furthermore, performance is linked to the fortunes of the inherently cyclical steel industry, which has strong correlation with overall growth in gross domestic product as well as global demand-supply situation. Operating performance will remain susceptible to volatility in raw material prices, and offtake by key end-user sectors. However, strong integration levels of SSTL and its increasing product diversity will partially offset the impact over the medium term.

Exposure to risks related to ongoing capex project: The group has incurred a large greenfield capex at Kesda, Chhattisgarh, with total capital outlay of Rs 935 crore to set up a 3.6 lakh TPA integrated SS manufacturing unit, aided by a 25-MW captive power plant. Along with this, SSTL is also expanding and modifying its existing pipes units and enhancing power capacities at an estimated capex of ~Rs 200 crore, to increase the ERW pipes capacity by 1.5 lakh TPA and increase the captive power plant capacity by 30 MW. While the entire debt of Rs 675 crore has been tied up for the greenfield project, it is yet to happen for the brownfield capex. With estimated commencement of the projects from the third quarter of fiscal 2028 and about 30% completion till date, implementation risk remains moderate. Furthermore, after completion, the SS capacity will increase from 1.16 lakh TPA to ~4.8 lakh TPA and timely offtake of the same, resulting in successful stabilisation of the project, will remain monitorable.

Liquidity Strong

Bank limit utilisation was low at around 40% for the 12 months through July 2026. Expected annual cash accrual of over Rs 250-400 crore will be more than sufficient to meet annual term debt obligation of Rs 10-15 crore, over the medium term. Lower dependence on external borrowing and healthy cash accrual will continue to aid financial flexibility.

Outlook Stable

Crisil Ratings believes the group will continue to benefit from the extensive experience of its promoters and established relationships with clients.

Rating sensitivity factors

Upward factors
- Sustained improvement in scale of operations by more than 40% and healthy operating margin
- Timely completion of capex without any major cost overrun, while sustaining moderate net debt to Ebitda

Downward factors
- Sustained decline in profitability by more than 400 basis points
- Large debt-funded capex weakening capital structure, leading to net debt to Ebitda of more than 3 times

About the company

Incorporated in 2017, SSTL is promoted by Goyal family members - Mr Vikas Goyal and Mr Suresh Goyal). The Raipur-based company is an integrated steel manufacturer of HR coils, ERW black pipes and tubes, SS coils, and GP coils and pipes. The company operates a fully integrated manufacturing facility with a 25-MW captive power plant.

SSTL is listed on the National Stock Exchange of India and the Bombay Stock Exchange.

Key financial indicators

Consolidated Numbers

As on / for the period ended March 31		2026	2025
Operating income	Rs crore	2,413.90	1,511.97
Reported profit after tax (PAT)	Rs crore	142.22	56.98
PAT margin	%	5.89	3.77
Adjusted debt/adjusted networth	Times	0.35	1.07
Interest coverage	Times	6.59	3.27

Any other information: Not applicable

Note on complexity levels of the rated instrument:
Crisil Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

Crisil Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the Crisil Ratings` complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Please note:
More details including a list of activities or instruments, along with the names of respective financial sector regulators (FSRs) whose purview they fall under, is available in 'Annexure – List of Instruments and Names of Regulators' below.

Annexure - Details of Instrument(s)

ISIN	Name Of Instrument	Date Of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs. Crore)	Complexity Levels	Rating Outstanding with Outlook	Regulator Of Instrument
NA	Cash Credit	NA	NA	NA	162.00	NA	Crisil A+/Stable	RBI

Note: Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure - List of entities consolidated

Names of entities consolidated	Extent of consolidation	Rationale for consolidation
Sambhv Steel Tubes Ltd	Full	Parent company
Sambhv Tubes Ltd	Full	Wholly owned subsidiary

Annexure - Rating History for last 3 Years

	Current			2026 (History)		2025		2024		2023		Start of 2023
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	162.0	Crisil A+/Stable		--		--		--		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities - Regulator for the Instrument is RBI

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Cash Credit	**25**	**HDFC Bank Limited**	**Crisil A+/Stable**
Cash Credit	**126**	**State Bank of India**	**Crisil A+/Stable**
Cash Credit	**11**	**YES Bank Limited**	**Crisil A+/Stable**

Annexure: List of instruments and names of regulators of the instruments
As required by SEBI CRA Circular dated Feb 10, 2026, a list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

A. Rating activities

Sr. No.	Instrument / activity Name	Regulator of the instruments
1	Listed/Proposed to be listed bonds/debentures/preference share (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)*$	RBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)*	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)*	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI

7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/FIs ^	RBI
9	External Commercial Borrowings and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11a	Fixed Deposits raised by NBFC's, HFCs, Fis	RBI
11b	Fixed Deposits raised by Banks	+
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts$	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (for Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/Fis)	+
22	Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
23	Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
24	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* Includes securitisation transactions involving assignee payout, acquirer's payout.
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^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.
# There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.
@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated Feb 10, 2026 and the investor side regulators have accordingly been included.
$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.
+ To be finalized following a discussion with the regulatory authorities.

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Criteria Details

Links to related criteria
Basics of Ratings (including default recognition, assessing information adequacy)
Criteria for consolidation
Criteria for manufacturing, trading and corporate services sector (including approach for financial ratios)

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