June 27, 2017

Manaksia Steels Limited

Summary of rated instruments

Instrument*	Rated Amount (in crore)	Rating action
Fund based limits	50.00	[ICRA]A- (Stable)/A2+ withdrawn
Non-fund based limits	166.00	[ICRA]A- (Stable)/A2+ withdrawn
Term Loan	15.00	[ICRA]A- (Stable) withdrawn

*Instrument Details are provided in Annexure-1

Rating action

ICRA has withdrawn the long-term rating of [ICRA]A- (pronounced ICRA A minus)[1] with a Stable outlook, and the short-term rating of [ICRA]A2+ (pronounced ICRA A two plus) on the Rs. 50.00-crore[2] fund based limits and the Rs. 166.00 crore non-fund based limits of Manaksia Steels Limited (MASL). ICRA has also withdrawn the long-term rating of [ICRA]A- with a Stable outlook on the term-loan facilities of the company.

Rationale

The long-term and short-term ratings assigned to MASL have been withdrawn following a request by the company, based on the no-objection certificate provided by its bankers.

Analytical approach: For arriving at the ratings, ICRA has applied its rating methodologies as indicated below.

Links to applicable criteria

Corporate Credit Rating Methodology
Rating Methodology for Entities in the Ferrous Metals Industry

About the company:

Manaksia Limited (formerly Hindustan Seals Ltd.) was incorporated in 1984 in Kolkata, West Bengal. The multi-divisional group has a business presence across Nigeria, Ghana, UAE, Georgia and Nepal through its subsidiaries with product lines including packaging, aluminium rolled products, galvanised steel and mosquito coils.

In December 2012, Manaksia's Board of Directors approved the company's restructuring plan, wherein the various business verticals of Manaksia Limited were demerged into separate undertakings with effect from April 2013. In May 2013, however, the appointed demerger date was changed to October 1, 2013. The approval from shareholders for the demerger was received in January 2014, and the approval from the Calcutta High Court was received on November 19, 2014. The record date for the purpose of determining entitlement to the shareholders of the company was set at December 4, 2014.

After the demerger, the aluminium vertical of Manaksia Limited was transferred to Manaksia Aluminium Company Limited (MACL), the steel vertical was transferred to Manaksia Steels Limited (MASL), the coated metals and mosquito coils vertical was transferred to Manaksia Coated Metals & Industries

[1] For complete rating scale and definitions, please refer to ICRA's website www.icra.in or other ICRA Rating Publications
[2] 100 lakh = 1 crore = 10 million

Limited (MACMIL), and the packaging vertical was transferred to Manaksia Industries Limited (MAIL). The shareholding pattern for Manaksia Ltd. was replicated in the shareholding pattern of the four companies, with the promoters holding 62.95% of the shares of each company, post demerger.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years:
Table:

S. No	Name of Instrument	Current Rating (FY2018)			Chronology of Rating History for the past 3 years		
		Type	Rated amount (Rs. Crores)	Date & Rating	Date & Rating in FY2017	Date & Rating in FY2015	Date & Rating in FY2014
				June 2017	April 2016	March 2015	-
1	Term Loans	Long Term	15.00	Withdrawn	[ICRA]A- (Stable)	[ICRA]A (Stable)	-
2	Fund based limits	Long/ Short Term	50.00	Withdrawn	[ICRA]A- (Stable)/ A2+	[ICRA]A (Stable)/A1	-
3	Non fund based limits	Long/ Short Term	166.00	Withdrawn	[ICRA]A- (Stable)/ A2+	[ICRA]A (Stable)/A1	-
4	Commercial Paper	Short Term	-	-	Withdrawn	[ICRA]A1	-

Complexity level of the rated instrument:
ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1
Instrument Details

Instrument	**Date of Issuance/Sanction**	**Coupon Rate**	**Maturity Date**	**Amount Rated (Rs. Crore)**	**Current Rating and Outlook**
Term Loan	-	-	2017-18	15.00	[ICRA]A- (Stable) withdrawn
Fund based limits	-	-	-	50.00	[ICRA]A- (Stable)/A2+ withdrawn
Non-fund based limits	-	-	-	166.00	[ICRA]A- (Stable)/A2+ withdrawn

Source: Manaksia Steels Limited

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About ICRA Limited:
ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.
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