

January 15, 2024

Maithan Ispat Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument^	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
NCD/Debt- Preference Shares	357.66	357.66	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	357.66	357.66	

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

^Instrument details are provided in Annexure-1

Rationale

ICRA has kept the long-term rating of Maithan Ispat Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]D; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Maithan Ispat Limited, ICRA has been trying to seek information from the entity so as to monitor its performance Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: <u>Click here</u> ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments	
	Policy in respect of non-cooperation by the rated entity	
Applicable Dating Mathedalesias	Corporate Credit Rating Methodology	
Applicable Rating Methodologies	Iron & Steel	
	Policy on default recognition	
Parent/Group Support	NA	
Consolidation/Standalone	Standalone	

About the company

Maithan Ispat Limited (MIL) was set up in August 2003 by the promoters of Maithan Group. Subsequently, on March 31, 2015, MESCO Group took over MIL, and a consortium of bankers restructured the debt facilities of MIL under the CDR scheme. At present, the company is a subsidiary of Mideast Integrated Steels Ltd. (MISL, the flagship company of MESCO Group), and is involved in manufacturing of sponge iron and billets. The company has a 2*350-TPD sponge iron facility, a 210,000-MTPA billet production unit and a 30-MW power production unit situated in Jajpur, Odisha.



Status of non-cooperation with previous CRA:

CRA	Rating Action	Date of Release
CARE	CARE D/D; ISSUER NOT	November 03, 2023
	COOPERATING	

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2024)			Chronology of Rating History for the past 3 years			
		Туре	Amount Rated	Amount Outstan ding (Rs. Crore)	Date & Rating in			Date & Rating in FY2021
		туре	(Rs. Crore)		15-January-2024	18-Jan-2023	28-Jan-2022	29-Jan-2021
	Preference		357.66		[ICRA] D;	[ICRA] D;	[ICRA] D;	[ICRA] D;
1	Shares	Long Term		-	ISSUER NOT	ISSUER NOT	ISSUER NOT	ISSUER NOT
		Long Term			COOPERATING	COOPERATING	COOPERATING	COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator		
Preference Shares	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, is available on ICRA's website: <u>Click Here</u>



Annexure-1: Instrument details

ISIN		Date of Issuance /	Coupon	Maturity	Amount Rated	Current Rating and
No Instrument Name		Sanction	Rate	Date	(RS Crore)	Outlook
NA	Preference Shares	NA	NA	NA	357.66	

Source: Maithan Ispat Limited

*ISIN No. – Not Available

Annexure-2: List of entities considered for consolidated analysis: Not applicable



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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.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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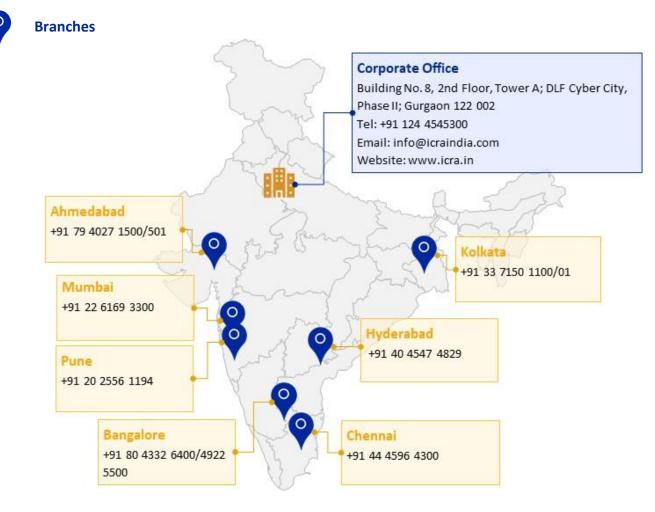


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