

July 31, 2024

KIOCL Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term/short-term – non-fund based	530.00	530.00	[ICRA]A+ (Negative)/ [ICRA]A1; withdrawn
Long-term/short-term – Untied limits	520.00	520.00	[ICRA]A+ (Negative)/ [ICRA]A1; withdrawn
Total	1,050.00	1,050.00	

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **KIOCL Limited** at the request of the company, and in accordance with ICRA's policy on withdrawal. ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

The Key rating drivers and their description, Key Financial Indicator, Liquidity position and Rating sensitivities have not been captured as the rated instruments are being withdrawn.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 Policy on Withdrawal of Credit Ratings
Parent/Group support	Parent: Government of India The assigned ratings factor in the expectations of need-based financial support by the Government to the rated entity.
Consolidation/Standalone	Standalone

About the company

KIOCL is a flagship company under the Ministry of Steel, GoI, with a Miniratna status. It was incorporated in April 1976. It is an export-oriented unit with expertise in iron ore mining, filtration technology and production of high-quality pellets. Its pellet unit, with an installed capacity of 3.5 mtpa, is in Mangaluru, Karnataka. Apart from the pellet unit, it also has a blast furnace (currently not in operations) to produce foundry-grade pig iron and a reclaimer to load pellets directly from the stockyard to the vessel. KIOCL has diversified into Operation & Maintenance services along with mineral exploration pertaining to its various core areas of expertise.

Status of non-cooperation with previous CRA: Not applicable

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
			July 31, 2024	August 31, 2023	August 07, 2023	June 8, 2022	Oct 29, 2021
1 Long term/short term - non-fund based - Letter of credit/bank guarantee	Long Term/Short Term	530.00	[ICRA]A+ (Negative)/[ICRA]A1; Withdrawn	[ICRA]A+ (Negative)/[ICRA]A1	[ICRA]A+ (Negative)/[ICRA]A1	[ICRA]AA- (Negative)/[ICRA]A1+	[ICRA]AA- (Stable)/[ICRA]A1+
2 Long term/short term - Untied Limits	Long Term/Short Term	520.00	[ICRA]A+ (Negative)/[ICRA]A1; Withdrawn	[ICRA]A+ (Negative)/[ICRA]A1	[ICRA]A+ (Negative)/[ICRA]A1	[ICRA]AA- (Negative)/[ICRA]A1+	[ICRA]AA- (Stable)/[ICRA]A1+

Complexity level of the rated instruments

Instrument	Complexity Indicator
Non-fund based - Letter of credit/bank guarantee	Very Simple
Untied Limits	Not applicable

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	Long term/short term non-fund based - Letter of credit/bank guarantee	NA	NA	NA	530.00	[ICRA]A+ (Negative)/ [ICRA]A1; Withdrawn
NA	Long term/short term -Untied Limits	NA	NA	NA	520.00	[ICRA]A+ (Negative)/ [ICRA]A1; Withdrawn

Source: Company

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

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Branches



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