

June 03, 2026

Maharashtra Seamless Limited: Long term rating placed on watch with developing implications; short-term rating outstanding

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Issuer Rating	-	-	[ICRA]AA+; rating placed on Watch with Developing Implications
Long-term - Fund-based - Cash credit	136.00	106.00	[ICRA]AA+; rating placed on Watch with Developing Implications
Long-term - Fund-based - Term loan	250.00	250.00	[ICRA]AA+; rating placed on Watch with Developing Implications
Long-term/Short-term - Non-fund based - Others	1,219.00	1,219.00	[ICRA]AA+; rating placed on Watch with Developing Implications / [ICRA]A1+; Rating outstanding
Unallocated limits	95.00	125.00	[ICRA]AA+; rating placed on Watch with Developing Implications / [ICRA]A1+; Rating outstanding
Total	1,700.00	1,700.00	

*Instrument details are provided in annexure II

Rationale

Material Event

On May 22, 2026, Maharashtra Seamless Limited (MSL) informed the stock exchanges that its Board has approved a scheme of arrangement for the demerger of its identified business undertakings into two separate entities—MSL Seamless Tubes Limited (MSTL) and United Seamless Limited (USL). The scheme entails the transfer of the Manganon-based seamless pipe manufacturing business along with associated renewable energy assets to MSTL, and the Narketpally-based operations, solar assets, and rig business to USL, with the remaining businesses continuing in MSL. As per the arrangement, there is no cash consideration, and equity shares of the resulting companies will be issued to MSL’s shareholders in the ratio of 1:5 (i.e., one fully paid-up equity share of each resulting company for every five equity shares held in MSL), resulting in a mirror shareholding structure across entities. The effectiveness of the demerger is subject to requisite regulatory and statutory approvals, including those from the NCLT and stock exchanges, with the appointed date proposed as October 1, 2026. Post implementation, the resulting entities are proposed to be listed on stock exchanges, creating three independently traded companies.

Impact of Material Event

ICRA has taken note of the above event and placed MSL’s long term rating of [ICRA]AA+ on Watch with Developing Implications. ICRA will continue to monitor the developments related to the approval and any other developments pertaining to the reorganisation Scheme going forward and will take appropriate rating action as and when the scheme is approved, and the final contours of the Scheme approved.

Please refer to the following link for the previous detailed rationale that captures key rating drivers and their description, Environment and social risks, the liquidity position, rating sensitivities [Click here](#)

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology

Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of MSL. The list of entities considered for consolidation are enlisted in Annexure III

About the company

Maharashtra Seamless Ltd (MSL), incorporated in 1988, belongs to the D. P. Jindal Group, which also has Jindal Pipes Limited and Jindal Drilling & Industries Limited. The company primarily manufactures seamless and electric resistance welded (ERW) pipes with an installed capacity of 650,000 tonnes per annum (TPA) of seamless pipes, and 125,000 TPA of ERW pipes across its manufacturing facilities at Raigad in Maharashtra. It has the capacity to manufacture seamless pipes with outside diameter (OD) up to 20 inches. Apart from the seamless and ERW pipes business, MSL has developed a renewable power portfolio aggregating 57.5 MW capacity across Maharashtra and Rajasthan.

Key financial indicators (audited)

Maharashtra Seamless Limited (Consolidated)	FY2025	FY2026
Operating income	5,269	4,674
PAT	791	715
OPBDITA/OI	17.5%	14.6%
PAT/OI	15.0%	15.3%
Total outside liabilities/tangible net worth (times)	0.1	0.1
Total debt/OPBDITA (times)	0.0	0.0
Interest coverage (times)	333.8	264.0

*Source: Company, ICRA Research; All ratios are as per ICRA's calculations; Amount in Rs. Crore.
PAT: Profit after tax; OPBDITA: Operating profit before depreciation, interest, taxes and amortisation*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current rating (FY2027)				Chronology of rating history for the past 3 years					
Instrument	Type	Amount rated (Rs crore)	June 03, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Fund-based-Cash credit	Long Term	106.00	[ICRA]AA+; rating Watch with Developing Implications	Mar 02, 2026	[ICRA]AA+ (Stable)	Dec 10, 2024	[ICRA]AA+ (Stable)	Dec 11, 2023	[ICRA]AA (Positive)
Non-fund based-Others	Long Term /Short Term	1,219.00	[ICRA]AA+; rating Watch with Developing Implications / [ICRA]A1+	Mar 02, 2026	[ICRA]AA+ (Stable)/[ICRA]A1+	Dec 10, 2024	[ICRA]AA+ (Stable)/[ICRA]A1+	Dec 11, 2023	[ICRA]AA (Positive)/[ICRA]A1+
Unallocated limits-	Long Term /Short Term	125.00	[ICRA]AA+; rating Watch with Developing Implications / [ICRA]A1+	Mar 02, 2026	[ICRA]AA+ (Stable)/[ICRA]A1+	Dec 10, 2024	[ICRA]AA+ (Stable)/[ICRA]A1+	Dec 11, 2023	[ICRA]AA (Positive)/[ICRA]A1+
Fund-based-Term loan	Long Term	250.00	[ICRA]AA+; rating Watch with Developing Implications	Mar 02, 2026	[ICRA]AA+ (Stable)	Dec 10, 2024	[ICRA]AA+ (Stable)	Dec 11, 2023	[ICRA]AA (Positive)
issuer rating	Long Term	0.00	[ICRA]AA+; rating Watch with Developing Implications	Mar 02, 2026	[ICRA]AA+ (Stable)	Dec 10, 2024	[ICRA]AA+ (Stable)	Dec 11, 2023	[ICRA]AA (Positive)

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (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) (*)	SEBI
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/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	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.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Complexity level of the rated instrument

Instrument	Complexity indicator
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Issuer Rating	NA
Long-term - Fund-based - Cash credit	Simple
Long-term - Fund-based - Term loan	Simple
Long-term/Short-term - Non-fund based - Others	Simple
Unallocated limits	NA

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 II: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Fund-based – Cash credit	NA	NA	NA	106.00	[ICRA]AA+; Rating Watch with Developing Implications
NA	Non-fund based limits	NA	NA	NA	1219.00	[ICRA]AA+; Rating Watch with Developing Implications/[ICRA]A1+
NA	Unallocated limits	NA	NA	NA	125.00	[ICRA]AA+; Rating Watch with Developing Implications/[ICRA]A1+
NA	Issuer rating	NA	NA	NA	-	[ICRA]AA+; Rating Watch with Developing Implications
NA	Term loans	NA	NA	NA	250.0	[ICRA]AA+; Rating Watch with Developing Implications

Source: Company,

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure III: List of entities considered for consolidated analysis

Company Name	MSL Ownership	Consolidation Approach
Maharashtra Seamless (Singapore) Pte. Ltd.	100%	Full Consolidation
Maharashtra Seamless Finance Ltd.	100%	Full Consolidation
Discovery Oil and Mines Pte. Ltd. #	100%	Full Consolidation
Jindal Premium Connections Pvt. Ltd.	100%	Full Consolidation
Internovia Natural Resources FZ LLC	56%	Full Consolidation
Zircon Drilling Supplies and Trading FZE #	56%	Full Consolidation
Jindal Pipes (Singapore) Pte. Ltd.	30%	Equity Method
Star Drilling Pte. Ltd. #	25%	Equity Method
Dev Drilling Pte. Ltd. #	25%	Equity Method
Gondkhari Coal Mining Ltd.	30.3%	Equity Method

Source: MSL annual report FY2025

* Internovia Natural Resources FZ LLC is a step subsidiary with direct holding of 5% & holding of 51% through wholly owned subsidiary Discovery Oil And Mines Pte. Ltd.

#Discovery Oil And Mines Pte. Ltd., Zircon Drilling Supplies and Trading FZE, Star Drilling Pte. Ltd. and Dev Drilling Pte. Ltd. have been voluntarily wound up in FY 2025-26.

ANALYST CONTACTS

Girishkumar Kadam

+91 22 6114 3441

girishkumar@icraindia.com

Ankit Jain

+91 124 4545 865

ankit.jain@icraindia.com

Sumit Jhunjunwala

+91 33 6521 6814

sumit.jhunjunwala@icraindia.com

Devanshu Gupta

+91 124 4545 321

devanshu.gupta@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar

+91 22 6114 3406

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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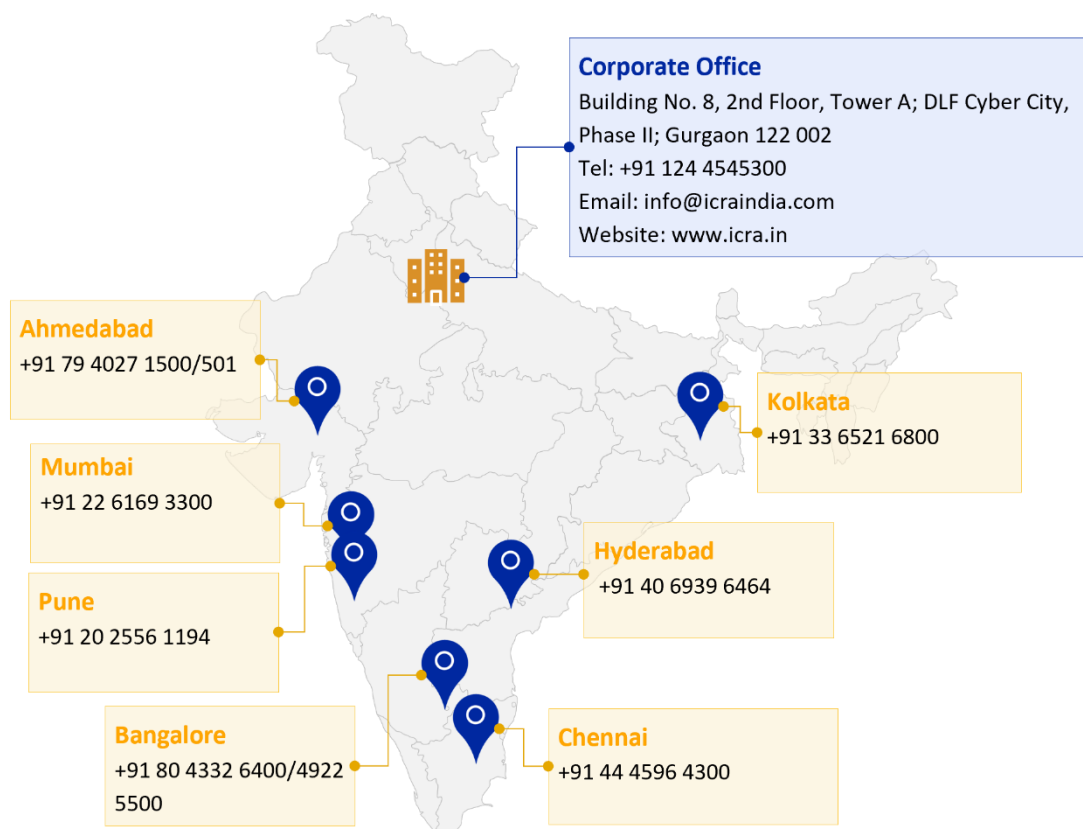
Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



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