

## Maithan Ispat Limited

September 14, 2022

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	576.37	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	131.48	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>707.85</b> <b>(Rs. Seven Hundred Seven Crore and Eighty-Five Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated July 28, 2021, placed the rating(s) of Maithan Ispat Limited (MIL) under the 'issuer non-cooperating' category as MIL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. MIL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated June 13, 2022, June 23, 2022, July 03, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

### Detailed description of the key rating drivers

Please refer to PR dated [July 28, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

### About the Company

Maithan Ispat Ltd, was incorporated in August 2003, by Maithan group for setting up an integrated steel plant comprising manufacturing facilities like Sponge iron (capacity 2,30,000 TPA) & billets (capacity 2,46,000 TPA), heavy section steel (capacity 3,76,000 TPA) and captive power plant of 30 MW, at Kalinganagar Industrial Complex, Orissa. On March 31, 2015, MESCO group through its group company Mideast Integrated Steels Ltd (MISL) acquired MIL by taking 99.28% stake in the company.

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)	Q1FY23 (Prov.)
Total operating income	1.75	0.00	NA	NA
PBILDT	-7.39	-0.32	NA	NA
PAT	-39.90	-41.18	NA	NA
Overall gearing (times)	NM	NM	NA	NA
Interest coverage (times)	NM	NM	NA	NA

A: Audited, Prov.: Provisional, NA: Not Available, NM: Not Meaningful

**Status of non-cooperation with previous CRA:** ICRA has continued the ratings of MIL into Issuer Not Cooperating category vide press release dated January 28, 2022 on account of its inability to carry out a review in the absence of the requisite information from the company.

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Annexure-3

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Complexity level of various instruments rated for this company: Annexure-4**
**Annexure-1: Details of Instruments/Facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Non-fund-based - ST-Letter of credit		-	-	-	111.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	March 2025	169.77	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	38.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	20.48	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	March 2024	368.60	CARE D; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument / Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Non-fund-based - ST-Letter of credit	ST	111.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (28-Jul-21)	1)CARE D; ISSUER NOT COOPERATING* (11-Jun-20)	-
2	Fund-based - LT-Term Loan	LT	169.77	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (28-Jul-21)	1)CARE D; ISSUER NOT COOPERATING* (11-Jun-20)	-
3	Fund-based - LT-Cash Credit	LT	38.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (28-Jul-21)	1)CARE D; ISSUER NOT COOPERATING* (11-Jun-20)	-
4	Non-fund-based - ST-Bank Guarantee	ST	20.48	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (28-Jul-21)	1)CARE D; ISSUER NOT COOPERATING* (11-Jun-20)	-
5	Fund-based - LT-Term Loan	LT	368.60	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (28-Jul-21)	1)CARE D; ISSUER NOT COOPERATING* (11-Jun-20)	-

\*Issuer did not cooperate; Based on best available information

**Annexure-3: Detailed explanation of covenants of rated instrument/facility: Not Applicable**
**Annexure-4: Complexity level of various instruments rated for this company**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple
4	Non-fund-based - ST-Letter of credit	Simple

**Annexure-5: Bank Lender Details for this Company**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

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#### About CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careedge.in](http://www.careedge.in)**