

Mideast Integrated Steel Limited

October 31, 2018

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long-term bank facilities (Proposed)	-	-	Withdrawn
Short-term bank facilities (Proposed)	-	-	Withdrawn

Details of instruments/facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the rating assigned to the Bank facilities of Mideast Integrated Steel Limited with immediate effect, as the company has neither availed the aforementioned bank facility limits rated by us thus far, nor intends to avail the same in the near future, and there is no outstanding under the said facility as on date

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Incorporated in 1992, MISL is a flagship company of the MESCO group and is engaged in iron ore mining (annual licensed capacity of 6 Million Metric Tonne (mmt) and manufacturing of pig iron (0.59 mmtpa). The company has an iron ore mine (merchant mine) at Roida, Odisha and pig iron plant is located at Jajpur, Odisha. The company also has sinter plant (0.70 mmtpa) and 9 MW captive power plant operating on blast furnace gas.

In 2004, MISL tied up with Stemcor Group, UK and with the funds infused by Stemcor over a period of time, the company commissioned its plant and mine and also repaid all its lenders under the One Time Settlement scheme.

MISL acquired Maithan Ispat Limited (MIL – 99.58% subsidiary of MISL) on March 31, 2015 which has 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.

Status of non-cooperation with previous CRA: *Not Applicable.*

Any other information: *Not Applicable.*

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

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

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In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Proposed fund based limits	-	-	-	0.00	Withdrawn
Non-fund-based - ST-BG/LC	-	-	-	0.00	Withdrawn

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) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016
1.	Fund-based - LT-Proposed fund based limits	LT	-	-	-	1)CARE BB-(Under Credit watch with Developing Implications) (10-Jan-18) 2)CARE BB-; Stable (11-May-17)	1)CARE B (06-Sep-16)	1)CARE BBB-(23-Mar-16) 2)CARE BBB-(07-Apr-15)
2.	Non-fund-based - ST-BG/LC	ST	-	-	-	1)CARE A4 (Under Credit watch with Developing Implications) (10-Jan-18) 2)CARE A4 (11-May-17)	1)CARE A4 (06-Sep-16)	1)CARE A3 (23-Mar-16) 2)CARE A3 (07-Apr-15)

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