

Press Release
Muthalamman Metal Industries
 July 27, 2018
Rating Updated



Total Bank Facilities Rated*	Rs. 5.95 Crore#
Long Term Rating	ACUITE D Issuer not co-operating*
Short Term Rating	ACUITE D Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; Based on best available information.

Rating Rationale

Acuité has reviewed long-term rating of '**ACUITE D (read as ACUITE D)**' and short term rating of '**ACUITE D (read as ACUITE D)**' on the Rs.5.95 crore bank facilities of Muthalamman Metal Industries (MMI). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Manufacturing Entities - <https://www.acuite.in/criteria-manufacturing.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/criteria-fin-ratios.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Company:

Muthalamman Metal Industries (MMI) was established as a partnership firm in 2006 by Mr. Sundralingam, Mrs. Jaya Sivakumar and Mr. Sivakumar (Chief Executive). The firm is engaged in manufacturing of aluminium circles which is used to produce household utensils and cookware. The manufacturing unit is located at Kodungaiyur (Chennai).

In FY2015-16, MMI reported net profit of Rs.0.17 crore on operating income of Rs.12.57 crore as against PAT of Rs.0.10 crore on operating income of Rs.8.05 crore in the previous year. The net worth stood at Rs.2.36 crore as on March 31, 2016 against Rs.1.74 crore a year earlier.

Any other information:

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
08-May-2017	Cash Credit	Long Term	2.50	ACUITE D (Downgraded)
	Letter of credit/ Bank Guarantee	Short Term	1.30	ACUITE D (Downgraded)
	Term Loans	Long Term	1.15	ACUITE D (Downgraded)
	Term Loans	Long Term	1.00	ACUITE D (Downgraded)
15-Feb-2017	Cash Credit	Long Term	2.50	ACUITE B (Indicative)
	Letter of credit/ Bank Guarantee	Short Term	1.30	ACUITE A4 (Indicative)
	Term Loans	Long Term	2.15	ACUITE B (Indicative)
08-Oct-2015	Cash Credit	Long Term	2.50	ACUITE B /Stable (Assigned)
	Letter of credit/ Bank Guarantee	Short Term	1.30	ACUITE A4 (Assigned)
	Term Loans	Long Term	2.15	ACUITE B /Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.50	ACUITE D (Indicative)
Letter of credit/ Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	1.30	ACUITE D (Indicative)
Term Loans	Not Applicable	Not Applicable	Not Applicable	1.15	ACUITE D (Indicative)
Term Loans	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE D (Indicative)

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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