

Press Release

Muthalamman Metal Industries

July 27, 2018

Rating Updated



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|-------------------------------------|--------------------------------------|
| 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

Acuite 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:

Acuite 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 Acuite'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). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite 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:

Acuite 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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