

Press Release

Madan Udyog Private Limited

November 29, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 9.97 Cr. #
Long Term Rating	ACUITE BB Issuer not co-operating*

Refer Annexure for details

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

Acuité has reviewed long-term rating of '**ACUITE BB** (read as ACUITE double B) on the Rs. 9.97 crore bank facilities of MadanUdyog Private Limited (MUPL). This rating is now an indicative rating and is based on best available information.

Nagpur-based, MUPL was incorporated in July 2010, promoted by Mr. S.S. Khandelwal. The company is engaged in manufacturing of cycle tubes and tyres. MUPL is engaged in the production of jointed and moulded bicycle rubber tubes of 37 varieties, ranging from 12 inches to 26 inches in size. The manufacturing facility of the company is located at Sinnar in Nashik (Maharashtra) and has an installed capacity of 1.44 crore tubes / annum.

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/view-rating-criteria-4.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 endeavoured 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 Rated Entity - Key Financials

	Unit	FY18 (Actual)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	27.21	24.55	25.91
EBITDA	Rs. Cr.	3.20	3.29	4.39
PAT	Rs. Cr.	0.58	0.61	0.75
EBITDA Margin	(%)	11.78	13.42	16.95
PAT Margin	(%)	2.13	2.49	2.88
ROCE (%)	(%)	13.27	14.27	19.61
Total Debt/Tangible Net Worth	Times	1.67	1.71	2.04
PBDIT/Interest	Times	1.64	1.60	1.59
Total Debt/PBDIT	Times	4.02	3.67	3.07
Gross Current Assets (Days)	Days	258	282	282

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

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. Cr.)	Ratings/Outlook
29-Sep-2017	Cash Credit	Long Term	9.97	ACUITE BB / Stable (Reaffirmed)
18-Aug-2017	Cash Credit	Long Term	7.50	ACUITE BB (Indicative)
	Standby Line of Credit	Long Term	0.50	ACUITE BB (Indicative)
	Letter of Credit	Short Term	0.75	ACUITE A4+ (Indicative)
	Ad-hoc limits (Fund Based)	Short Term	0.75	ACUITE A4+ (Indicative)
	Proposed Cash Credit	Long Term	0.47	ACUITE BB (Indicative)
03-May-2016	Cash Credit	Long Term	7.50	ACUITE BB / Stable (Assigned)
	Standby Line of Credit	Long Term	0.50	ACUITE BB / Stable (Assigned)
	Ad-hoc limits (Fund Based)	Short Term	0.75	ACUITE A4+ (Assigned)
	Letter of Credit	Short Term	0.75	ACUITE A4+ (Assigned)
	Proposed Cash Credit	Long Term	0.47	ACUITE BB / Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	9.97	ACUITE BB Issuer not co-operating*

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

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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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