

Press Release

Mahalaxmi Dhatu Udyog Private Limited (MDUPL)

November 15, 2017



Rating Update

Total Bank Facilities Rated*	Rs. 16.00 Cr. #
Long Term Rating	SMERA B+ Issuer not co-operating*

Refer Annexure for details

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

SMERA has reviewed long-term rating of '**SMERA B+**' (**read as SMERA B plus**) and short-term rating of **SMERA A4 (Read as SMERA A four)** on the Rs. 16.00 crore bank facilities of Mahalaxmi Dhatu Udyog Private Limited (MDUPL). This is an indicative rating.

Non-cooperation by the issuer/borrower

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

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

Applicable Criteria

- Default Recognition - <https://www.smerra.in/criteria-default.htm>
- Trading entities - <https://www.smerra.in/criteria-trading.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). SMERA endeavoured to gather information about the entity/industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information on which the indicative credit rating is based.

About the rated entity

MDU is a Nagpur-based company established by the Rathi family in 1996. The company is engaged in the manufacturing of steel angles and has a production capacity of 24,000 metric tonnes per annum. The company caters to transmission tower manufacturers. The day-to-day operations are managed by Mr. Krishna Rathi and Mr. Varun Rathi.

For FY2015-16 (provisional), the company reported net profit of Rs.0.47 crore on operating income of Rs.39.62 crore, as compared to net profit of Rs.0.21 crore on operating income of Rs.36.90 crore in the previous year. The net worth stands at Rs.24.96 crore as on March 31, 2016 against Rs.24.80 crore a year earlier.

Rating history (last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
05-October-2016	Cash credit	Long term	12.00	SMERA B+/Stable
	Bank guarantee	Short term	4.00	SMERA A4

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue	Ratings
Cash Credit	N.A	N.A	N.A	12.00*	SMERA B+ (Issuer not co-operating)*
Bank Guarantee	N.A	N.A	N.A	4.00*	SMERA A4 (Issuer not co-operating)*

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

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