

## Press Release

Mahalaxmi Dhatu Udhog Private Limited

August 26, 2022



### Rating Reaffirmed and Issuer not co-operating

| Product                            | Quantum (Rs. Cr) | Long Term Rating                                  | Short Term Rating                                 |
|------------------------------------|------------------|---------------------------------------------------|---------------------------------------------------|
| Bank Loan Ratings                  | 12.00            | ACUITE B+   Reaffirmed   Issuer not co-operating* | -                                                 |
| Bank Loan Ratings                  | 4.00             | -                                                 | ACUITE A4   Reaffirmed   Issuer not co-operating* |
| Total Outstanding Quantum (Rs. Cr) | 16.00            | -                                                 | -                                                 |
| Total Withdrawn Quantum (Rs. Cr)   | 0.00             | -                                                 | -                                                 |

### Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.16.00 crore bank facilities of Mahalaxmi Dhatu Udhog Private Limited (MDUPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

### About the Company

MDUPL is a Nagpur-based company established by the Rathi family in 1996. The company is engaged in 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.

### 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 the due date.

Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

### 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 Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

### Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

### Material Covenants

Not Applicable.

### Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

### Outlook

Not Applicable

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

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

### Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

### Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

### Rating History

| Date        | Name of Instruments/Facilities | Term       | Amount (Rs. Cr) | Rating/Outlook                        |
|-------------|--------------------------------|------------|-----------------|---------------------------------------|
| 02 Jun 2021 | Bank Guarantee                 | Short Term | 4.00            | ACUITE A4 ( Issuer not co-operating*) |
|             | Cash Credit                    | Long Term  | 12.00           | ACUITE B+ ( Issuer not co-operating*) |
| 06 Mar 2020 | Bank Guarantee                 | Short Term | 4.00            | ACUITE A4 (Issuer not co-operating*)  |
|             | Cash Credit                    | Long Term  | 12.00           | ACUITE B+ (Issuer not co-operating*)  |
| 10 Jan 2019 | Bank Guarantee                 | Short Term | 4.00            | ACUITE A4 (Issuer not co-operating*)  |
|             | Cash Credit                    | Long Term  | 12.00           | ACUITE B+ (Issuer not co-operating*)  |
| 15 Nov 2017 | Cash Credit                    | Long Term  | 12.00           | ACUITE B+ (Issuer not co-operating*)  |
|             | Bank Guarantee                 | Short Term | 4.00            | ACUITE A4 (Issuer not co-operating*)  |
| 05 Oct 2016 | Cash Credit                    | Long Term  | 12.00           | ACUITE B+   Stable (Assigned)         |
|             | Bank Guarantee                 | Short Term | 4.00            | ACUITE A4 (Assigned)                  |

## Annexure - Details of instruments rated

| Lender's Name  | ISIN           | Facilities                         | Date Of Issuance | Coupon Rate    | Maturity Date  | Quantum (Rs. Cr.) | Rating                                                            |
|----------------|----------------|------------------------------------|------------------|----------------|----------------|-------------------|-------------------------------------------------------------------|
| Bank of Baroda | Not Applicable | Bank Guarantee/Letter of Guarantee | Not Applicable   | Not Applicable | Not Applicable | 4.00              | ACUITE A4<br> <br>Reaffirmed<br>  Issuer<br>not co-<br>operating* |
| Bank of Baroda | Not Applicable | Cash Credit                        | Not Applicable   | Not Applicable | Not Applicable | 12.00             | ACUITE B+<br> <br>Reaffirmed<br>  Issuer<br>not co-<br>operating* |

## Contacts

| Analytical                                                                                                                                                                                                                                                                                | Rating Desk                                                                                                                              |
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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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