

**Press Release**

**MGM Castings Private Limited**

**January 19, 2022**



**Rating Reaffirmed and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
<b>Bank Loan Ratings</b>	38.30	ACUITE B   Reaffirmed   Issuer not co-operating*	-
<b>Total Outstanding Quantum (Rs. Cr)</b>	38.30	-	-
<b>Total Withdrawn Quantum (Rs. Cr)</b>	0.00	-	-

**Rating Rationale**

Acuite has reaffirmed the long-term rating of '**ACUITE B' (read as ACUITE B)** on the Rs. 38.30 crore bank facilities of MGM Castings Private Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

**About the Company**

Incorporated in 2006, the company has been taken over by the current management – Directors, Mr. Sathynarayan VP and Mr. Purushotham LV Naidu in 2015. The company is based out of Bengaluru (Karnataka), and is in the business of development of commercial properties and leasing out. Currently, it owns and leased out one property, and is in the process to develop a large commercial property of about 150,000 square foot (sq.ft.) in Bengaluru.

**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 non-cooperation 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**

None.

### 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

- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Real Estate Entities: <https://www.acuite.in/view-rating-criteria-63.htm>

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
16 Oct 2020	Term Loan	Long Term	14.30	ACUITE B (Downgraded and Issuer not co-operating*)
	Proposed Term Loan	Long Term	24.00	ACUITE B (Downgraded and Issuer not co-operating*)
02 Aug 2019	Proposed Term Loan	Long Term	24.00	ACUITE B+   Stable (Reaffirmed)
	Term Loan	Long Term	14.30	ACUITE B+   Stable (Reaffirmed)
05 Jul 2018	Term Loan	Long Term	26.30	ACUITE B+   Stable (Upgraded from ACUITE B   Stable)
	Proposed Long Term Loan	Long Term	12.00	ACUITE B+   Stable (Upgraded from ACUITE B   Stable)
19 Apr 2017	Term Loan	Long Term	26.30	ACUITE B   Stable (Assigned)
	Proposed Long Term Loan	Long Term	12.00	ACUITE B   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Not Applicable	Not Applicable	Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	24.00	ACUITE B   Reaffirmed   Issuer not co-operating*
Union Bank of India	Not Applicable	Term Loan	Not available	Not available	31-10-2017	14.30	ACUITE B   Reaffirmed   Issuer not co-operating*

## Contacts

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### About Acuité Ratings & Research

Acuité Ratings & Research 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 8,850 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 Kanjurmarg, Mumbai.

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