

Press Release

Mahadev Yarns Private Limited

February 21, 2022



Rating Reaffirmed & Withdrawn and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---|------------------|---|---|
| Bank Ratings | 18.50 | ACUITE B- Reaffirmed & Withdrawn Issuer not co-operating* | - |
| Bank Ratings | 0.50 | - | ACUITE A4 Reaffirmed & Withdrawn Issuer not co-operating* |
| Total Outstanding Quantum (Rs. Cr) | 0.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 19.00 | - | - |

Rating Rationale

Acuité has reaffirmed and withdrawn the long-term rating of '**ACUITE B-**' (**read as ACUITE B minus**) and short-term rating of '**ACUITE A4**' (**read as ACUITE A Four**) on the Rs.19.00 crore bank facilities of Mahadev Yarns Private Limited (MYPL). The rating withdrawal is in accordance with Acuité's policy on withdrawal of rating. This rating continues to be flagged as "Issuer Not Cooperating". The rating is being withdrawn on account of request received from the company and NOC received from the banker.

About the Company

Mahadev Yarns Private Limited (MYPL) was incorporated in 1991 and is promoted by Mr. Ram Kishan Mundhra and Pushpa Devi Mundhra. The company is engaged in the manufacturing of texturized, non-sized and roto-yarn with its manufacturing unit located at Kosamba, Gujarat. MYPL has an installed capacity of 6000 tonnes per year and utilization is 4500-4600 tonnes per month.

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. Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

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

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

Rating Sensitivity

No information provided by the issuer/ available for Acuité 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

Infomerics ratings via its press release on December 11,2020 had denoted the rating of Mahadev Yarns Private Limited as IVR B/A4 (ISSUER NOT COOPERATING*) on account of lack of adequate information required for monitoring of ratings.

Infomerics ratings via its press release on January 09,2020 had denoted the rating of Mahadev Yarns Private Limited as IVR B+/A4 (ISSUER NOT COOPERATING*) on account of lack of adequate information required for monitoring of ratings.

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>

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|--------------------------------|------------|-----------------|--------------------------------------|
| 12 May 2021 | Term Loan | Long Term | 1.76 | ACUITE B- (Issuer not co-operating*) |
| | Term Loan | Long Term | 1.52 | ACUITE B- (Issuer not co-operating*) |
| | Term Loan | Long Term | 2.71 | ACUITE B- (Issuer not co-operating*) |
| | Term Loan | Long Term | 11.00 | ACUITE B- (Issuer not co-operating*) |
| | Proposed Long Term Loan | Long Term | 0.80 | ACUITE B- (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 0.50 | ACUITE A4 (Issuer not co-operating*) |
| | Term Loan | Long Term | 0.71 | ACUITE B- (Issuer not co-operating*) |
| 27 Feb 2020 | Bank Guarantee | Short Term | 0.50 | ACUITE A4 (Issuer not co-operating*) |
| | Term Loan | Long Term | 2.71 | ACUITE B- (Issuer not co-operating*) |
| | Term Loan | Long Term | 0.71 | ACUITE B- (Issuer not co-operating*) |
| | Cash Credit | Long Term | 11.00 | ACUITE B- (Issuer not co-operating*) |
| | Term Loan | Long Term | 1.76 | ACUITE B- (Issuer not co-operating*) |
| | Term Loan | Long Term | 1.52 | ACUITE B- (Issuer not co-operating*) |
| | Proposed Long Term Loan | Long Term | 0.80 | ACUITE B- (Issuer not co-operating*) |
| 27 Dec 2018 | Term Loan | Long Term | 1.52 | ACUITE B- (Issuer not co-operating*) |
| | Term Loan | Long Term | 1.76 | ACUITE B- (Issuer not co-operating*) |
| | Term Loan | Long Term | 2.71 | ACUITE B- (Issuer not co-operating*) |
| | Term Loan | Long Term | 0.71 | ACUITE B- (Issuer not co-operating*) |
| | Cash Credit | Long Term | 11.00 | ACUITE B- (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 0.50 | ACUITE A4 (Issuer not co-operating*) |
| | Proposed Long Term Loan | Long Term | 0.80 | ACUITE B- (Issuer not co-operating*) |
| 16 Oct 2017 | Term Loan | Long Term | 1.52 | ACUITEB- Stable (Assigned) |
| | Term Loan | Long Term | 1.76 | ACUITEB- Stable (Assigned) |
| | Term Loan | Long Term | 2.71 | ACUITEB- Stable (Assigned) |
| | Term Loan | Long Term | 0.71 | ACUITEB- Stable (Assigned) |
| | Cash Credit | Long Term | 11.00 | ACUITEB- Stable (Assigned) |
| | | Short | | |

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|-------------------------|-----------|------|------------------------------|
| Bank Guarantee | Term | 0.50 | ACUITE A4 (Assigned) |
| Proposed Long Term Loan | Long Term | 0.80 | ACUITEB- Stable (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Rating |
|----------------------|----------------|-------------------------------------|------------------|----------------|----------------|-------------------|---|
| Punjab National Bank | Not Applicable | Bank Guarantee/ Letter of Guarantee | Not Applicable | Not Applicable | Not Applicable | 0.50 | ACUITE A4 Reaffirmed & Withdrawn Issuer not co-operating* |
| Punjab National Bank | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 11.00 | ACUITE B- Reaffirmed & Withdrawn Issuer not co-operating* |
| Not Applicable | Not Applicable | Proposed Long Term Bank Facility | Not Applicable | Not Applicable | Not Applicable | 0.80 | ACUITE B- Reaffirmed & Withdrawn Issuer not co-operating* |
| Punjab National Bank | Not Applicable | Term Loan | Not available | Not available | Not available | 1.52 | ACUITE B- Reaffirmed & Withdrawn Issuer not co-operating* |
| Punjab National Bank | Not Applicable | Term Loan | Not available | Not available | Not available | 1.76 | ACUITE B- Reaffirmed & Withdrawn Issuer not co-operating* |
| Punjab National Bank | Not Applicable | Term Loan | Not available | Not available | Not available | 2.71 | ACUITE B- Reaffirmed & Withdrawn Issuer not co-operating* |
| Punjab National Bank | Not Applicable | Term Loan | Not available | Not available | Not available | 0.71 | ACUITE B- Reaffirmed & Withdrawn |

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| | | | | | | Issuer not co- operating* |
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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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