

Press Release

Mahavir Transmission Limited

July 08, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 20.00 Cr. #
Long Term Rating	ACUITE B+ Issuer not co-operating* (Withdrawn)
Short Term Rating	ACUITE A4 Issuer not co-operating* (Withdrawn)

#Refer Annexure for details

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

Rating Rationale

Acuite has reviewed the long-term rating of '**ACUITE BB' (read as ACUITE double B)** and the short term rating of '**ACUITE A4' (read as ACUITE A four)** on the Rs. 20.00 cr. bank facilities of Mahavir Transmission Limited (MTL). This rating is now an indicative rating and is based on best available information.

The rating is being withdrawn on account of request received from the company and NOC from the banker.

Mahavir Transmission Limited (MTL) incorporated in the year 1995, is run by Mr. Rakesh Jain and Family. It is in the business of production of Aluminium Conductors for power transmission and distribution of electricity. Currently MTL has a capacity of 17000 MTPA in its plant at Dehradun. It is an approved supplier of Power Grid Corporation India Ltd, various state electricity boards, and several private utilities.

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 due date.

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

Applicable Criteria

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

	Unit	FY20 (Provisional)	FY19 (Actual)
Operating Income	Rs. Cr.	386.67	373.05
PAT	Rs. Cr.	21.94	8.02
PAT Margin	(%)	5.67	2.15
Total Debt/Tangible Net Worth	Times	0.75	2.02
PBDIT/Interest	Times	6.20	2.97

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

None

Any other information

Not Applicable

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
12-May-2020	Cash Credit	Long term	10.00	ACUITE B+ Issuer not co-operating*
	Bank Guarantee	Short term	6.00	ACUITE A4 Issuer not co-operating*
	Inland Letter of credit	Short term	4.00	ACUITE A4 Issuer not co-operating*
19-Mar-2019	Cash Credit	Long term	10.00	ACUITE B+ Issuer not co-operating*
	Bank Guarantee	Short term	6.00	ACUITE A4 Issuer not co-operating*
	Inland Letter of credit	Short term	4.00	ACUITE A4 Issuer not co-operating*
06-Mar-2018	Cash Credit	Long term	10.00	ACUITE B+/Stable (Assigned)
	Bank Guarantee	Short term	6.00	ACUITE A4 (Assigned)
	Inland Letter of credit	Short term	4.00	ACUITE A4 (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE B+ Withdrawn & Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE A4 Withdrawn & Issuer not co-operating*
Inland Letter of Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE A4 Withdrawn & Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
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<p>Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in</p> <p>Nikhilesh Pandey Rating Analyst - Rating Operations Tel: 011-4973 1304 nikhilesh.pandey@acuite.in</p>	<p>Varsha Bist Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in</p>
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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 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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