

Press Release

B C Mohanty and Sons Private Limited

February 23, 2021



Rating Update

Total Bank Facilities Rated*	Rs.25.00 Cr. #
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB-/Negative) Issuer not co-operating*

Refer Annexure for details`

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

Acuité has downgraded the long-term rating to '**ACUITE BB+** (read as ACUITE double B plus) from '**ACUITE BBB-** (read as ACUITE triple B minus) on the Rs.25.00 crore bank facilities of B C Mohanty and Sons Private Limited (BCMSPL). The rating is now an indicative rating and is based on the best available information. The downgrade is based on information risk.

Odisha based, B C Mohanty and Sons Private Limited, incorporated in 1976 is engaged in chromite ore mining and manufacturing of ferro chrome. The chromite mine is located at 'Kamarda' in the Jajpur mining belt of Odisha. The mining lease for the chromite mine was initially secured in 1968 by erstwhile B C Mohanty & Sons a proprietorship firm promoted by Mr. B. C. Mohanty. In 1976 the proprietorship firm was reconstituted and named as B C Mohanty and Sons Private Limited (BCMSPL). The company operates two ferro chrome furnaces of 6 MVA and 9MVA each.

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of BCMSPL arrive at this rating.

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 the due date.

Acuité 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.

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

Applicable Criteria

- Default Recognition-<https://www.acuite.in/view-rating-criteria-52.htm>
- Financial Ratios and Adjustments -<https://www.acuite.in/view-rating-criteria-53.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). Acuité endeavored 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.

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

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

About the Rated Entity - Key Financials

The rated entity has not shared the latest Financial Statements despite repeated attempts.

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

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.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
04-Dec-2019	Cash Credit	Long Term	25.00	ACUITE BBB-/Negative (Downgraded from ACUITE BBB/Stable and outlook revised from stable)
27-May-2019	Cash Credit	Long Term	15.00	ACUITE BBB (Indicative)
08-Mar-2018	Cash Credit	Long Term	15.00	ACUITE BBB/Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Available	Not Available	Not Available	25.00	ACUITE BB+ (Downgraded from ACUITE BBB-/Negative) Issuer not co-operating*

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

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 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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