

Press Release
MEDEX INTERNATIONAL
July 05, 2023



Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Ra
Bank Loan Ratings	3.00	ACUITE B+ Downgraded Issuer not co-operating*	-
Bank Loan Ratings	12.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	15.00	-	-

Rating Rationale

Acuité has downgraded the long term rating from 'ACUITE BB-' (read as ACUITE double B minus) to 'ACUITE B+' (read as ACUITE B plus) on the Rs.15.00 crore bank facilities and - Acuité has reaffirmed the short term rating to 'ACUITE A4' (read as ACUITE A four) of Medex International (MI). The rating is now flagged as "Issuer NotCooperating" and is based on the best available information.

The rating has been downgraded on account of inforamtion risk.

About the Company

Delhi based, Medex International (MI) was registered as a proprietorship firm in October 2016 by Mr. Swaran Singh. The firm is engaged in trading of electrical goods and equipment. MI supplies equipment for power cable laying, energy efficient off-grid distributed power generation, substation and transmission lines, and rural electrification.

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 noncooperation 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 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.

Rating Sensitivities

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

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 21 (Actual)	FY 20 (Actual)
Operating Income	Rs. Cr.	16.43	14.63
PAT	Rs. Cr.	0.26	0.18
PAT Margin	(%)	1.60	1.23
Total Debt/Tangible Net Worth	Times	1.13	1.75
PBDIT/Interest	Times	1.57	1.60

Status of non-cooperation with previous CRA

None

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

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entitie: <https://www.acuite.in/view-rating-criteria-61.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
26 Apr 2022	Secured Overdraft	Long Term	3.00	ACUITE BB- Stable (Upgraded from ACUITE B+)
	Letter of Credit	Short Term	12.00	ACUITE A4 (Reaffirmed)
30 Mar 2021	Secured Overdraft	Long Term	3.00	ACUITE B+ (Issuer not co-operating*)
	Letter of Credit	Short Term	12.00	ACUITE A4 (Issuer not co-operating*)
07 Jan 2020	Secured Overdraft	Long Term	3.00	ACUITE B+ Stable (Assigned)
	Letter of Credit	Short Term	12.00	ACUITE A4 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
UCO Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	12.00	ACUITE A4 Reaffirmed Issuer not co-operating*
UCO Bank	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	3.00	ACUITE B+ Downgraded Issuer not co-operating*

Contacts

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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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