



Press Release
MAHAVIR COAL WASHERIES PRIVATE LIMITED
November 18, 2025
Rating Upgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	47.52	ACUITE A- Stable Upgraded	-
Bank Loan Ratings	133.00	-	ACUITE A2+ Upgraded
Total Outstanding Quantum (Rs. Cr)	180.52	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has upgraded the long-term rating to '**ACUITE A-**' (read as **ACUITE A Minus**) from '**ACUITE C**' (read as **ACUITE C**) and the short-term rating to '**ACUITE A2+**' (read as **ACUITE A two Plus**) from '**ACUITE A4**' (read as **ACUITE A four**) to the Rs.180.52 Cr. of bank facilities of Mahavir Coal Washeries Private Limited (MCWPL). The outlook is '**Stable**'.

Rationale for rating upgrade

The rating was downgraded earlier on account of delays identified, specifically in the equipment financing and auto loans for the months of June 2025 and July 2025 in the credit information bureau (CRIF) report. The rating upgrade takes cognizance of the correction in the CRIF report as the delay was reported erroneously due to technical issues from the banks end.

MCWPL's rating reflects its strong operating efficiency marked by improving revenues and profitability and healthy financial risk profile marked by strong debt protection metrics and liquidity. The company has improved profitability margins, supported by efficient logistics, captive power usage, and cost control. The company benefits from a long operational track record, experienced management, and established relationships with reputed clients. However, the rating remains constrained on account of moderately intensive working capital operations, end user sector challenges and competitive industry.

About the Company

Mahavir Coal Washeries Private Limited (MCWPL) was incorporated in 2007. It is registered in Nagpur. The company is engaged in beneficiation, trading and transportation of coal for various powerhouses, cement companies and others. The major consumers are power sector, steel sector, cement sector, etc. The company is having two washeries at Bhelai (Balodaa) and one at Belmudi and a private railway siding at Kanhaiband, Naila Janjgir district Chhattisgarh. Mr. Vinod Kumar Jain, Mr. Vishal Kumar Jain, Mr. Vikash Jain, Mr. Arvind Kumar Jain are directors of the company.

Analytical Approach

Acuité has considered the standalone business and financial risk profile of MCWPL while arriving at the rating

Key Rating Drivers

Strengths

Long operational track record and experienced management

The directors of the company Mr. Vinod Kumar Jain, Mr. Vishal Kumar Jain, Mr. Arvind Kumar Jain and Mr. Pramod Jain have experience of more than a decade in the business of coal washeries through other group companies. The long-standing experience of the directors has helped the company to establish comfortable relationship with their customers such as Tirupati Minerals Private Limited, Maharashtra State Mining Corporation, JK Lakshmi Cement Ltd, Hindalco Industries Limited among others as well as suppliers such as South Eastern Coalfields Limited, MP Power Generating Company Limited, Sonadih Cement Plant and among others.

Improvement in Revenue and Profitability

The revenue of the company stood at Rs. 446.00 Cr. in FY2025 as against Rs. 381.03 Cr. in FY2024, the improvement is due to increase in sales volumes. The company has utilized ~87% of its total installed capacity during FY2025 (PY: 85 %), and ~90% till H1 FY2026 mainly due to high demand from the power sector during the period. The company has booked revenue of Rs.284.44 Cr. in H1FY2026 (PY: Rs. 227.88 Cr. in H1FY2025). Further, the company is targeting revenue of ~ Rs.556 Cr. for FY2026. The company has orders of Rs.286.98 Cr. in hand as of October 2025 which are to be executed in next 3 months. The orders received by the company are rotating in nature with new orders being added and delivered on a continuous basis.

The operating margin of the company remained healthy and improved to 22.05% in FY2025 as against 20.60 % in FY2024 and 17.12 % in FY2023. The net profit margins of the company stood at 16.05% in FY2025 as compared to 14.45 % in FY2024. The company's margins are primarily driven by increased contribution from transportation services and reduced power cost with the captive use of power plant by the company. The company majorly has geographical presence in Chhattisgarh and Orissa. Acuite believes that the operating performance of the company will remain healthy on account of steady demand from the domestic market.

Healthy Financial Risk Profile

The financial risk profile of the company remained healthy marked by healthy net worth, low gearing and strong debt protection metrics. The tangible net worth stood at Rs. 304.45 Cr. as on 31 March 2025 as against Rs.232.86 Cr. as on 31 March 2024. The total debt of the company stood at Rs.49.49 Cr. includes Rs.10.93 Cr. of long-term debt, Rs.31.06 Cr. of short-term debt, and Rs.7.50 Cr. of CPLTD as on 31 March, 2025. The gearing (debt-equity) stood low at 0.16 times as on 31 March, 2025 as against 0.23 times as on 31 March, 2024. The debt service coverage ratio (DSCR) and interest coverage ratio (ICR) remained healthy at 7.52 times and 20.46 times in FY2025 as compared to 8.60 times and 17.74 times in FY2024 respectively. Total outside Liabilities/Total Net Worth (TOL/TNW) stood at 0.54 times as on 31 March, 2025 as against 0.72 times as on 31 March, 2024. Net Cash Accruals to Total Debt (NCA/TD) stood at 1.64 times for FY2025 as against 1.15 times for FY2024. Acuite believes that the financial risk profile of the company will remain healthy on account of steady net cash accruals and absence of any major debt funded capex plan.

Logistical advantage

Cost and efficiency of logistical expenses play a key role in the coal beneficiation business.

MCWPL has continuously invested and built their own logistical infrastructure for optimum utilization of available capacity. The company had 1 private railway siding in Baloda used to transport coal. Now, the company has one more coal washery unit and a private railway siding in Kanhaiband which is also based out of Chhattisgarh, having capacity of 2.50 million tonnes per annum. Having railway siding is beneficial to the company as it provides an opportunity for delivery of coal in a time bound manner and save major cost of logistics thereby improving its operating margins. Further, the company also owns a large fleet of 150 trucks and has around 200-300 trucks on hire for coal transportation throughout the country.

Weaknesses

Moderately intensive working capital operations

The operations of the company remained working capital intensive nature marked by gross current asset (GCA) days of 209 days for FY2025 as against 188 days for FY2024. The elevated GCA days is primarily on account of high other current assets which majorly includes loans & advances, receivables and recoveries, advance tax paid etc. The average credit period allowed by suppliers is 30-45 days. The creditor days stood at 738 days in FY2025 as against 622 days in FY2024. The debtor days stood at 54 days in FY2025 as against 97 days in FY2024. The company has reputed clientele like Gujrat State Electricity Corpn. Ltd., Jindal Steel & Power Ltd., Sambhu Steel Tubes Ltd., Maharashtra State Mining Corpn. Ltd. etc. The average credit period allowed to customers of 15 – 30 days. The inventory holding period of the company stood at 84 days in FY2025 as against 27 days in FY2024. The average utilization of the fund based stood high at 89 per cent, and non-fund-based facilities of the company remained moderate at 34 per cent in last six months ended September 2025. Acuite believes the operations of the company would remain working capital intensive due to nature of business.

End user sector challenges and high entry barriers

Coal washed, transported and traded by MCWPL find their end use by companies involved in power generation, cement manufacturing and steel and metal plants. The consumers that MCWPL caters to are also under high regulation from the government. Increasing cost of supply as against environmentally friendly and economically attractive options of solar and wind power has led to significant reduction in energy consumption from power plants, putting the power plants under financial distress. Loss of supply linkages between the cement industry and coal availability has been a developing challenge in India over lack of infrastructure. Further, capital intensive steel and metal plants have been under low potential utilization and have been experiencing reduced productivity amidst a global competition and slowdown in domestic economic conditions. Any policy changes affecting the highly regulated coal industry or its end users will impact the financial risk profile of MCWPL. The ability of MCWPL to grow in such conditions and maintain its profitability will be key monitorable in the future. The coal beneficiation business in India is highly regulated and falls under the purview of Ministry of Coal, Government of India as well as Ministry of Environment, Forest and Climate Change, Government of India. Such high level of regulation from multiple government authorities creates entry barriers for new players. This provides an advantage to the existing players by keeping the competition low. With limited number of companies present in the coal washeries business, Acuite believes the existing players in the market will benefit from its established presence.

Rating Sensitivities

- Continuously scaling up of operation while maintain the profitability margin.
- Elongation of Working capital cycle impacting liquidity position
- Debt funded capex plan impacting financial risk profile

Liquidity Position **Strong**

The company's liquidity position is strong marked by sufficient net cash accruals against its maturing debt obligations. The company has net cash accruals of Rs. 81.08 Cr in FY2025 against its maturing debt obligations of Rs.6.09 Cr in the same period. The operations of the

company are of working capital intensive nature marked by gross current asset (GCA) days of 209 days for FY2025 as against 188 days for FY2024. The company maintains unencumbered cash and bank balances of Rs.21.34 Cr as on March 31, 2025. The current ratio stands at 1.85 times as on March 31, 2025 as against 1.43 times as on March 31, 2024. The average consolidated fund-based bank limit utilization stood high at ~89 per cent and non-fund-based facilities of the company remained low at 34 per cent in last six months ended September 2025

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	446.00	381.03
PAT	Rs. Cr.	71.59	55.07
PAT Margin	(%)	16.05	14.45
Total Debt/Tangible Net Worth	Times	0.16	0.23
PBDIT/Interest	Times	20.46	17.74

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

Not Applicable

Any other information

None

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>
- Trading Entities: <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
30 Jul 2025	Bank Guarantee (BLR)	Short Term	21.00	ACUITE A4 (Downgraded from ACUITE A2+)
	Bank Guarantee (BLR)	Short Term	65.00	ACUITE A4 (Downgraded from ACUITE A2+)
	Bank Guarantee (BLR)	Short Term	47.00	ACUITE A4 (Downgraded from ACUITE A2+)
	Term Loan	Long Term	14.23	ACUITE C (Downgraded from ACUITE A- Stable)
	Cash Credit	Long Term	1.00	ACUITE C (Downgraded from ACUITE A- Stable)
	Cash Credit	Long Term	2.00	ACUITE C (Downgraded from ACUITE A- Stable)
	Cash Credit	Long Term	25.00	ACUITE C (Downgraded from ACUITE A- Stable)
	Cash Credit	Long Term	3.00	ACUITE C (Downgraded from ACUITE A- Stable)
	Proposed Long Term Bank Facility	Long Term	2.29	ACUITE C (Downgraded from ACUITE A- Stable)
02 Dec 2024	Term Loan	Long Term	0.23	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	14.00	ACUITE A- Stable (Assigned)
	Cash Credit	Long Term	2.00	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	25.00	ACUITE A- Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	2.29	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	3.00	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	1.00	ACUITE A- Stable (Assigned)
	Bank Guarantee (BLR)	Short Term	21.00	ACUITE A2+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	65.00	ACUITE A2+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	47.00	ACUITE A2+ (Reaffirmed)
29 Sep 2023	Cash Credit	Long Term	2.00	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	Cash Credit	Long Term	10.00	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	Cash Credit	Long Term	15.00	ACUITE A- Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	2.00	ACUITE A- Stable (Assigned)
	Cash Credit	Long Term	3.00	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	Proposed Long Term Bank Facility	Long Term	0.52	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	Bank Guarantee (BLR)	Short Term	21.00	ACUITE A2+ (Upgraded from ACUITE A2)
		Short		

	Bank Guarantee (BLR)	Term	39.00	ACUITE A2+ (Upgraded from ACUITE A2)
	Bank Guarantee (BLR)	Short Term	26.00	ACUITE A2+ (Assigned)
	Bank Guarantee (BLR)	Short Term	47.00	ACUITE A2+ (Assigned)
16 Nov 2022	Bank Guarantee (BLR)	Short Term	25.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	14.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	14.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	7.00	ACUITE A2 (Assigned)
	Cash Credit	Long Term	7.50	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	2.50	ACUITE BBB+ Stable (Assigned)
	Cash Credit	Long Term	2.00	ACUITE BBB+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	3.50	ACUITE BBB+ Stable (Reaffirmed)
	Proposed Long Term Loan	Long Term	0.02	ACUITE BBB+ Stable (Assigned)
27 Oct 2022	Working Capital Demand Loan (WC DL)	Long Term	0.81	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Working Capital Demand Loan (WC DL)	Long Term	2.71	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Bank Guarantee (BLR)	Short Term	25.00	ACUITE A2 (Upgraded from ACUITE A3+)
	Bank Guarantee (BLR)	Short Term	14.00	ACUITE A2 (Upgraded from ACUITE A3+)
	Cash Credit	Long Term	7.50	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Working Capital Demand Loan (WC DL)	Long Term	0.81	ACUITE BBB+ Stable (Upgraded from ACUITE BBB)
	Cash Credit	Long Term	2.00	ACUITE BBB+ Stable (Upgraded from ACUITE BBB)
	Working Capital Demand Loan (WC DL)	Long Term	2.71	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Proposed Long Term Bank Facility	Long Term	13.98	ACUITE BBB+ Stable (Upgraded from ACUITE BBB)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
ICICI BANK LIMITED	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	21.00	Simple	ACUITE A2+ Upgraded (from ACUITE A4)
State Bank of India	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	65.00	Simple	ACUITE A2+ Upgraded (from ACUITE A4)
YES BANK LIMITED	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	47.00	Simple	ACUITE A2+ Upgraded (from ACUITE A4)
YES BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE A- Stable Upgraded (from ACUITE C)
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.00	Simple	ACUITE A- Stable Upgraded (from ACUITE C)
ICICI BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.00	Simple	ACUITE A- Stable Upgraded (from ACUITE C)
H D F C Bank Limited	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE A- Stable Upgraded (from ACUITE C)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.29	Simple	ACUITE A- Stable Upgraded (from ACUITE C)
H D F C Bank Limited	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 Jul 2030	14.23	Simple	ACUITE A- Stable Upgraded (from ACUITE C)

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About Acuité Ratings & Research

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