



Press Release

Melco India Private Limited

January 28, 2025

Rating Downgraded, Reaffirmed, Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	10.00	ACUITE BB Downgraded & Withdrawn Issuer not co-operating*	-
Bank Loan Ratings	99.00	-	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Bank Loan Ratings	18.00	-	Not Applicable Withdrawn
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	127.00	-	-

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

Rating Rationale

Acuite has downgraded and withdrawn its the long term rating to ‘ACUITE BB’ (read as ACUITE double B) from ‘ACUITE BB+’ (read as ACUITE double B Plus) on the Rs. 10.00 crore bank facilities of Melco India Private Limited. Acuite has reaffirmed and withdrawn its short-term rating of ‘ACUITE A4+’ (read as ACUITE A four plus) on the Rs. 99.00 crore bank facilities of Melco India Private Limited. The rating is being withdrawn on account of request received from the company and NOC (No Objection Certificate) received from the banker.

Acuite has also withdrawn its short-term rating on the Rs. 18.00 crore bank facilities of Melco India Private Limited without assigning any rating as instrument is fully repaid. The rating is being withdrawn on account of request received from the company and NDC (No Due Certificate) received from the banker.

The ratings continues to be flagged as "Issuer Not-Cooperating" and is based on best available information. The downgrade is based on information risk. The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating as applicable to the respective facility / instrument.

About the Company

Incorporated in 1995, Haryana based Melco India Private Limited is engaged in turnkey execution of ash handling systems, mill reject systems and pollution control systems for thermal power plants, manufacturing and supplying equipment for these systems and their maintenance services. The company is promoted by Mr. V.K. Malik and Mr. Sandhir Malik. Earlier, the business was carried on as a partnership firm in the name of Melco Precisions since 1971. In the year 2019, the company shifted its business model to air pollution control systems from mere ash handling systems and has tied-up with international players such as United Conveyor Corporation (UCC), USA and Rafako, Poland.

Unsupported Rating

Not Applicable

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 the 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

This rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower) . Acuite endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

No information provided by the issuer / available for Acuité to comment upon.

Liquidity Position

No information provided by the issuer / available for Acuité to comment upon.

Outlook: Not Applicable**Other Factors affecting Rating**

None

Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	119.01	98.28
PAT	Rs. Cr.	7.11	5.53
PAT Margin	(%)	5.97	5.62
Total Debt/Tangible Net Worth	Times	0.44	0.53
PBDIT/Interest	Times	3.58	2.82

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

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

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. Acuité'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
22 Jan 2024	Bank Guarantee (BLR)	Short Term	10.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	44.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	18.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	25.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	20.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	4.00	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	6.00	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
26 Oct 2022	Bank Guarantee (BLR)	Short Term	10.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	44.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	18.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	25.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	20.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	4.00	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	6.00	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)

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

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Axis Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	44.00	Simple	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Standard Chartered Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	18.00	Simple	Not Applicable Withdrawn
Yes Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.00	Simple	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Indusind Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE BB Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BB+)
Axis Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.00	Simple	ACUITE BB Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BB+)

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

Contacts

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About Acuité Ratings & Research

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