



**Press Release**  
**Mahavir Energy And Coal Benefication Limited**  
**October 04, 2023**  
**Rating Reaffirmed, Withdrawn & Issuer Not Cooperating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	10.01	ACUITE BB+   Reaffirmed & Withdrawn   Issuer not co-operating*	-
Bank Loan Ratings	0.49	Not Applicable   Withdrawn	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	10.50	-	-

**Rating Rationale**

Acuite has **reaffirmed and withdrawn** a long term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) to the Rs 10.01 Cr and also **withdrawn** the rating on the proposed facility of Rs 0.49 Cr bank facilities of Mahavir Energy & Coal Benefication Limited (MECBL). The rating is now flagged as "Issuer Not Cooperating" based on account of information risk.

Acuite has received the withdrawal request from the Company because it does not want to continue the rating any further. A No Objection Certificate (NOC) for the same has been received from UCO Bank. The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating. However, the banker has provided their feedback that the conduct of the account is satisfactory.

**About the Company**

Chhattisgarh based, Mahavir Energy & Coal Benefication Limited was established in the year 2009 by Mr. Pramod Kumar Jain and Mr. Ankit Jain. The company is engaged in generating bio-mass power and set up a power plant of 12MW in Raigarh, Chhattisgarh. The company has a power purchase agreement (PPA) with Chhattisgarh State Power Distribution Company Limited (CSPDCL) for 20 years for sale of entire 12 MW power.

**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. Acuite 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 Acuite'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). 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 ratings based.

## **Rating Sensitivities**

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

**All Covenants**

None

**Liquidity Position**

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

**Outlook**

Not Applicable

**Other Factors affecting Rating**

Not Applicable

## Key Financials

Particulars	Unit	FY 22 (Provisional)	FY 21 (Actual)
Operating Income	Rs. Cr.	52.14	51.85
PAT	Rs. Cr.	1.06	0.70
PAT Margin	(%)	2.03	1.35
Total Debt/Tangible Net Worth	Times	0.25	0.27
PBDIT/Interest	Times	4.40	4.43

### Status of non-cooperation with previous CRA

None

### Any other information

Not Applicable

### 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>
- Rating Process and Timeline: <https://www.acuite.in/view-rating-criteria-67.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.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](http://www.acuite.in)

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
06 Sep 2022	Working Capital Term Loan	Long Term	1.51	ACUITE BB+   Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	0.28	ACUITE BB+ (Withdrawn)
	Cash Credit	Long Term	1.50	ACUITE BB+ (Withdrawn)
	Cash Credit	Long Term	6.00	ACUITE BB+   Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	0.49	ACUITE BB+   Stable (Reaffirmed)
	Cash Credit	Long Term	2.50	ACUITE BB+   Stable (Assigned)
18 Jun 2021	Cash Credit	Long Term	1.50	ACUITE BB+   Stable (Assigned)
	Cash Credit	Long Term	5.00	ACUITE BB+   Stable (Assigned)
	Working Capital Term Loan	Long Term	0.60	ACUITE BB+   Stable (Assigned)
	Proposed Bank Facility	Long Term	0.62	ACUITE BB+   Stable (Assigned)
	Working Capital Term Loan	Long Term	0.28	ACUITE BB+   Stable (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	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	2.50	ACUITE BB+   Reaffirmed & Withdrawn   Issuer not co-operating*
UCO Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	6.00	ACUITE BB+   Reaffirmed & Withdrawn   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	0.49	Not Applicable   Withdrawn
UCO Bank	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	Simple	1.51	ACUITE BB+   Reaffirmed & Withdrawn   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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