

## Mangal Electrical Industries Private Limited

February 03, 2022

### Ratings

| Facilities/Instruments                 | Amount<br>(Rs. crore)                        | Rating <sup>1</sup>  | Rating Action  |
|--|--|--|--|
| Long Term Bank Facilities              | 28.00  | <b>CARE BB-; Stable;<br/>ISSUER NOT COOPERATING*<br/>(Double B Minus; Outlook: Stable<br/>ISSUER NOT COOPERATING*)</b>                   | Rating continues to remain under ISSUER NOT COOPERATING category |
| Long Term / Short Term Bank Facilities | 38.75  | <b>CARE BB-; Stable / CARE A4;<br/>ISSUER NOT COOPERATING*<br/>(Double B Minus; Outlook: Stable/ A<br/>Four ISSUER NOT COOPERATING*)</b> | Rating continues to remain under ISSUER NOT COOPERATING category |
| Short Term Bank Facilities             | 13.25  | <b>CARE A4;<br/>ISSUER NOT COOPERATING*<br/>(A Four<br/>ISSUER NOT COOPERATING*)</b>   | Rating continues to remain under ISSUER NOT COOPERATING category |
| <b>Total Bank Facilities</b>           | <b>80.00<br/>(Rs. Eighty<br/>Crore Only)</b> |  |  |

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated January 25, 2021, placed the rating(s) of Mangal Electrical Industries Private Limited (MEIPL) under the 'issuer non-cooperating' category as MEIPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. MEIPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 11, 2021, January 21, 2022, January 25, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

### Detailed description of the key rating drivers

Please refer to PR dated [January 25, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the Company

MEIPL was initially formed as a partnership firm in 1990 under the name 'Mangal Electrical Industries' (MEI) and was subsequently converted into a private limited company in April 2008 and the name was changed to its present form. The company has been promoted by Mr Rahul Mangal along with his brother Mr Ashish Mangal, who have also promoted Dynamic Cables Pvt. Ltd. MEIPL is involved in the manufacturing of transformers, electrical laminations for transformers from cold rolled grain oriented (CRGO) Steel and prestressed cement concrete (PCC) poles. MEIPL operates out of five manufacturing facilities and has aggregate production capacity of 50,400 nos. per annum of transformers and 65 lakh KG (Kilograms per annum) of CRGO steel lamination. The company also undertakes Engineering Procurement and Construction (EPC) contracts in the power sector under Rajeev Gandhi Grameen Vidyutikaran Yojana (RGGVY)/Deen Dayal Upadhaya Gram Jyoti Yojna (DDUGJY) schemes of Central Govt.

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and in other CARE publications

\*Issuer did not cooperate; Based on best available information.

Brief financials of MEIPL are as follows:

| Brief Financials (Rs. crore) | FY20 (A) | FY21 (A) | 9MFY22 (Prov.) |
|------------------------------|----------|----------|----------------|
| Total operating income       | 208.32   | NA       | NA             |
| PBILDT                       | 14.63    | NA       | NA             |
| PAT                          | 2.94     | NA       | NA             |
| Overall gearing (times)      | 1.94     | NA       | NA             |
| Interest coverage (times)    | 1.52     | NA       | NA             |

A: Audited, Prov.: Provisional, NA – Not available

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure 2

**Covenants of rated instrument/facility:** Please refer Annexure 3

**Complexity level of various instruments rated for this company:** Please refer Annexure 4

#### Annexure-1: Details of Instruments / Facilities

| Name of the Instrument                 | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. crore) | Rating assigned along with Rating Outlook           |
|--|------|------------------|-------------|---------------|-------------------------------|---|
| Fund-based - LT-Cash Credit            |      | -                | -           | -             | 28.00                         | CARE BB-; Stable; ISSUER NOT COOPERATING*           |
| Fund-based - LT/ ST-Cash Credit        |      | -                | -           | -             | 12.50                         | CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* |
| Non-fund-based - ST-Letter of credit   |      | -                | -           | -             | 13.25                         | CARE A4; ISSUER NOT COOPERATING*                    |
| Non-fund-based - LT/ ST-Bank Guarantee |      | -                | -           | -             | 26.25                         | CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* |

\*Issuer did not cooperate; Based on best available information

#### Annexure-2: Rating History of last three years

| S r . N o . | Name of the Instrument/Bank Facilities | Current Ratings |                                |   | Rating history                            |   |  |   |
|-------------|--|-----------------|--------------------------------|---|---|---|--|---|
|             |  | Type            | Amount Outstanding (Rs. crore) | Rating  | Date(s) & Rating(s) assigned in 2021-2022 | Date(s) & Rating(s) assigned in 2020-2021                         | Date(s) & Rating(s) assigned in 2019-2020                        | Date(s) & Rating(s) assigned in 2018-2019 |
| 1           | Fund-based - LT-Cash Credit            | LT              | 28.00                          | CARE BB-; Stable; ISSUER NOT COOPERATING*           | -   | 1)CARE BB-; Stable; ISSUER NOT COOPERATING* (25-Jan-21)           | 1)CARE BB; Stable; ISSUER NOT COOPERATING* (14-Nov-19)           | 1)CARE BB+; Stable (16-Aug-18)            |
| 2           | Fund-based - LT/ ST-Cash Credit        | LT/ ST*         | 12.50                          | CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* | -   | 1)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* (25-Jan-21) | 1)CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING* (14-Nov-19) | 1)CARE BB+; Stable / CARE A4+ (16-Aug-18) |
| 3           | Non-fund-based - ST-Letter of credit   | ST              | 13.25                          | CARE A4; ISSUER NOT COOPERATING*                    | -   | 1)CARE A4; ISSUER NOT COOPERATING* (25-Jan-21)                    | 1)CARE A4; ISSUER NOT COOPERATING* (14-Nov-19)                   | 1)CARE A4+ (16-Aug-18)                    |
| 4           | Non-fund-based - LT/ ST-Bank Guarantee | LT/ ST*         | 26.25                          | CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* | -   | 1)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* (25-Jan-21) | 1)CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING* (14-Nov-19) | 1)CARE BB+; Stable / CARE A4+ (16-Aug-18) |

\*Issuer did not cooperate; Based on best available information

**Annexure-3: Detailed explanation of covenants of the rated instrument / facilities:** Not Applicable

**Annexure 4: Complexity level of various instruments rated for this company**

| Sr. No | Name of instrument                     | Complexity level |
|--------|--|------------------|
| 1      | Fund-based - LT-Cash Credit            | Simple           |
| 2      | Fund-based - LT/ ST-Cash Credit        | Simple           |
| 3      | Non-fund-based - LT/ ST-Bank Guarantee | Simple           |
| 4      | Non-fund-based - ST-Letter of credit   | Simple           |

**Annexure 5: Bank Lender Details for this Company**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instrument:** CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

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**About CARE Ratings Limited:**

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