

## Mahavir Coal Washeries Private Limited

January 04, 2023

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	26.00	CARE B; Stable; ISSUER NOT COOPERATING* (Single B; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B+; Stable; (Single B Plus; Outlook: Stable)
Long Term / Short Term Bank Facilities	10.00	CARE B; Stable / CARE A4; ISSUER NOT COOPERATING* (Single B; Outlook: Stable/ A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B+; Stable / CARE A4; (Single B Plus; Outlook: Stable / A Four)
Short Term Bank Facilities	4.00	CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>40.00</b> <b>(Rs. Forty Crore Only)</b>		

Details of instruments/facilities in Annexure-1

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

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated October 21, 2021, placed the rating(s) of Mahavir Coal Washeries Private Limited (MCWPL) under the 'issuer non-cooperating' category as MCWPL 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. MCWPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 27, 2022, December 28, 2022, December 30, 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).**

The ratings assigned to the bank facilities of MCWPL have been revised on account of non-availability of requisite information. The rating also factored in decline in scale of operations, profitability, and debt coverage indicators during FY21 over FY 20.

### Detailed description of the key rating drivers

Please refer to PR dated [October 21, 2021](#)

**Analytical approach:** Standalone

### Applicable criteria

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

[Policy on default recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

### About the Company

MCWPL was, incorporated on April 26, 2007, is promoted by Bilaspur-based Mr Vinod Kumar Jain. The company is engaged in trading of coal and providing transportation services to its customers. In 2011, MCWPL set up a coal washery plant at Bilaspur, Chhattisgarh which enables the company to reduce the ash content in coal from 37% to 30%. MCWPL also operates a railway siding, 15 km from Bilaspur, on annual lease. It also owns fleet of 32 multi-axle trucks and has long-term contract with transporters for about 150 trucks to support its transportation to the customers from the mines through road/rail route. The company procures coal through the process of e-auction from South Eastern Coalfields Ltd, Korba and Raigarh Coal Fields. The

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

company is currently being managed by Mr. Vinod Kumar Jain and his two sons Mr Vishal Kumar Jain and Mr Vikash Kumar Jain.

Brief Financials (Rs. crore)	FY21 (A)	FY22 (A)	9M FY23 (Prov.)
Total operating income	127.08	NA	NA
PBILDT	5.13	NA	NA
PAT	1.69	NA	NA
Overall gearing (times)	0.21	NA	NA
Interest coverage (times)	3.66	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:** Annexure 3

**Complexity level of various instruments rated for this company:** 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		-	-	-	26.00	CARE B; Stable; ISSUER NOT COOPERATING*
Non-fund-based - LT/ST-Bank Guarantee		-	-	-	10.00	CARE B; Stable / CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	4.00	CARE A4; ISSUER NOT COOPERATING*

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

#### Annexure-2: Rating history for the last three years

Sr. No	Name of the Instrument / Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	26.00	CARE B; Stable; ISSUER NOT COOPERATING *	-	1)CARE B+; Stable; ISSUER NOT COOPERATING * (21-Oct-21)	1)CARE BB-; Stable; ISSUER NOT COOPERATING * (09-Nov-20)	1)CARE BB; Stable; ISSUER NOT COOPERATING * (06-Sep-19)
2	Non-fund-based - ST-Letter of credit	ST	4.00	CARE A4; ISSUER NOT COOPERATING *	-	1)CARE A4; ISSUER NOT COOPERATING * (21-Oct-21)	1)CARE A4; ISSUER NOT COOPERATING * (09-Nov-20)	1)CARE A4; ISSUER NOT COOPERATING * (06-Sep-19)
3	Non-fund-based - LT/ST-Bank Guarantee	LT/ST *	10.00	CARE B; Stable / CARE A4; ISSUER NOT COOPERATING *	-	1)CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING * (21-Oct-21)	1)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING * (09-Nov-20)	1)CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING * (06-Sep-19)

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

**Annexure-3: Detailed explanation of the covenants of the rated instruments/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	Non-fund-based - LT/ ST-Bank Guarantee	Simple
3	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 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 for any clarifications.

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**About CARE Ratings Limited:**

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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