

M.P Mining and Energy Limited

December 06, 2021

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	10.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	10.00 (Rs. Ten Crore Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated December 11, 2020, placed the rating(s) of M.P Mining and Energy Limited (MMEL) under the 'issuer non-cooperating' category as MMEL 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. MMEL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 27, 2021, November 06, 2021, November 16, 2021.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE'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 [December 11, 2020](#)

Analytical approach: Standalone

Applicable Criteria

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

[Policy on default recognition](#)

About the Company

Incorporated in September 2011, M.P Mining and Energy Limited (MMEL) is engaged in manufacturing of steel shot and grit which is used in the process of metal surface cleaning, metal surface finishing, improving the surface tension of metal and it also finds application in construction, automobile and steel industry etc. The facility of the company is located at Deoghar, Jharkhand with an aggregate installed capacity of 9,000 Metric Tonne Per Annum (MTPA). The company started its commercial operations from February 2016. Mr. Rajesh Bajoria, having around two decades of experience in the steel industry, looks after the overall management of the company along with the other directors Mr. Rajiv Tekriwal and Mr. Puneet Jain and supported by the team of experienced professionals.

Brief Financials (Rs. crore)	FY19(A)	FY20(A)	FY21(Prov.)
Total operating income	14.72	10.11	NA
PBILDT	1.22	0.08	NA
PAT	-0.04	2.77	NA
Overall gearing (times)	18.81	2.80	NA
Interest coverage (times)	1.57	0.12	NA

A: Audited; Prov.: Provisional; NA: Not Available

Status of non-cooperation with previous CRA: Brickwork has put the rating assigned to the bank facilities of MMEL rating into Issuer Not Cooperating category vide press release dated June 03, 2021 on account of its inability to carry out a review in the absence of the requisite information from the company.

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Any other information: Not Applicable

Disclosure of Interest of Independent/Non-Executive Directors and Managing Director & CEO of CARE: 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-Term Loan		-	-	April 2021	3.61	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	6.39	CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	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-Term Loan	LT	3.61	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (11-Dec-20)	1)CARE D; ISSUER NOT COOPERATING* (23-Sep-19)	1)CARE D; ISSUER NOT COOPERATING* (24-Jan-19)
2	Fund-based - LT-Cash Credit	LT	6.39	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (11-Dec-20)	1)CARE D; ISSUER NOT COOPERATING* (23-Sep-19)	1)CARE D; ISSUER NOT COOPERATING* (24-Jan-19)

*Issuer did not cooperate; Based on best available information

Annexure 3: Detailed explanation of covenants of rated instrument/facility: Not Applicable

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

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

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