

Mahavir Steel Industries Limited

December 15, 2022

Ratings

| Facilities/Instruments | Amount (₹ crore) | Rating ¹ | Rating Action |
|------------------------------|---|--|--|
| Long Term Bank Facilities | 0.90 | CARE BB-; Stable; ISSUER NOT COOPERATING* (Double B Minus; Outlook: Stable ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB; Stable; (Double B; Outlook: Stable) |
| Total Bank Facilities | 0.90 (₹ Ninety Lakhs Only) | | |

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 November 01, 2021, placed the rating(s) of Mahavir Steel Industries Limited (MSIL) under the 'issuer non-cooperating' category as MSIL 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. MSIL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated September 17, 2022, September 27, 2022, October 07, 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 have been revised due to non-availability of requisite information.

Detailed description of the key rating drivers

Please refer to PR dated [November 01, 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

MSIL is a Pune-based steel rolling mill which was established as a partnership firm by Mr. D. K. Raniwala and his sons in 1968. The entity was converted to a Private Limited Company in 1979 and subsequently to a Public Limited Company in 1981. MSIL is engaged in the manufacture of mild steel (MS) channels, angles, I-beams, H-beams, flats, RSJ (rolled steel joists) poles and round and square bars. The company operates out of its manufacturing facilities based at Yavat on the Pune-Solapur road.

| Brief Financials (₹ crore) | FY21 (A) | FY22 (A) | H1FY23 (Prov.) |
|----------------------------|----------|----------|----------------|
| Total operating income | 188.38 | NA | NA |
| PBILDT | 20.34 | NA | NA |
| PAT | 6.57 | NA | NA |
| Overall gearing (times) | 0.57 | NA | NA |
| Interest coverage (times) | 2.09 | 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

² Complete definition of the ratings assigned are available at www.careedge.in and other CARE publications

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 (₹ crore) | Rating Assigned along with Rating Outlook |
|-----------------------------|------|------------------|-----------------|---------------|-----------------------------|---|
| Fund-based - LT-Cash Credit | | - | - | - | 0.90 | CARE BB-; Stable; 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 (₹ 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 | 0.90 | CARE BB-; Stable; ISSUER NOT COOPERATING* | - | 1)CARE BB; Stable; ISSUER NOT COOPERATING* (01-Nov-21) | 1)CARE BB+; Stable; ISSUER NOT COOPERATING* (27-Oct-20) 2)CARE BBB+; Stable; ISSUER NOT COOPERATING* (30-Apr-20) | 1)CARE BBB+; Stable (01-Apr-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 |

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:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

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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