

Malwa Oxygen & Industrial Gases Private Limited

October 17, 2022

Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	0.10	CARE BB-; ISSUER NOT COOPERATING* (Double B Minus; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	4.50	CARE BB- / CARE A4; ISSUER NOT COOPERATING* (Double B Minus / A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	0.18	CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Facilities	4.78 (Rs. Four Crore and Seventy-Eight Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated August 20, 2021, placed the rating(s) of Malwa Oxygen & Industrial Gases Private Limited (MOIGPL) under the 'issuer non-cooperating' category as MOIGPL 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. MOIGPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated July 06, 2022, July 16, 2022, July 26, 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 [August 20, 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

Malwa Oxygen and Industrial Gases Pvt. Ltd. (MOIGPL, CIN: U24111MP1981PTC001866), promoted by Mr. Pramod Vyas, were incorporated in December 1981. MOIGPL, a closely held private limited company, is engaged in manufacturing of chemical intermediates such as para hydroxybenzoic acid and benzophenone which are primarily used as pharma intermediates for manufacturing active pharmaceutical ingredients (API). These chemical intermediates also find application in cosmetics industry, plastic, industrial chemical and polymers. MOIGPL also manufactures Dissolved Acetylene Gas which contributes marginally towards operating income and finds application in industrial segment. MOIGPL operates from its manufacturing facility located in Ratlam (Madhya Pradesh) which has an installed capacity to manufacture 1000 MTPA of chemical intermediates.

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (A)	H1FY23 (A)
Total operating income	119.06	116.61	NA	NA
PBILDT	18.15	19.61	NA	NA
PAT	14.21	11.81	NA	NA
Overall gearing (times)	0.03	0.00	NA	NA
Interest coverage (times)	130.33	22.55	NA	NA

¹Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE Ratings Ltd.'s publications

*Issuer did not cooperate; Based on best available information

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-Term Loan		-	-	December 2017	0.10	CARE BB-; ISSUER NOT COOPERATING*
Fund-based - LT/ ST-Cash Credit		-	-	-	4.50	CARE BB- / CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Standby Line of Credit		-	-	-	0.18	CARE A4; 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			Date(s) and Rating(s) assigned in 2022-2023	Rating History		
		Type	Amount Outstanding (Rs. crore)	Rating		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-Term Loan	LT	0.10	CARE BB-; ISSUER NOT COOPERATING*	-	1)CARE BB-; ISSUER NOT COOPERATING* (20-Aug-21)	1)CARE BB; ISSUER NOT COOPERATING* (10-Jul-20)	1)CARE BB+; ISSUER NOT COOPERATING* (16-Dec-19)
2	Fund-based - LT/ ST-Cash Credit	LT/ST*	4.50	CARE BB- / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB- / CARE A4; ISSUER NOT COOPERATING* (20-Aug-21)	1)CARE BB / CARE A4; ISSUER NOT COOPERATING* (10-Jul-20)	1)CARE BB+ / CARE A4+; ISSUER NOT COOPERATING* (16-Dec-19)
3	Non-fund-based - ST-Standby Line of Credit	ST	0.18	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (20-Aug-21)	1)CARE A4; ISSUER NOT COOPERATING* (10-Jul-20)	1)CARE A4+; ISSUER NOT COOPERATING* (16-Dec-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-Term Loan	Simple
2	Fund-based - LT/ ST-Cash Credit	Simple
3	Non-fund-based - ST-Standby Line 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 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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