

## Murti Udyog Limited

June 20, 2022

### Ratings

| Facilities / Instruments   | Amount<br>(₹ crore)                 | Rating <sup>1</sup>   | Rating Action   |
|----------------------------|-------------------------------------|---|---|
| Long Term Bank Facilities  | 8.00                                | <b>CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable ISSUER NOT COOPERATING*)</b> | Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable; (Single B; Outlook: Stable) |
| Short Term Bank Facilities | 2.00                                | <b>CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)</b>                                  | Rating continues to remain under ISSUER NOT COOPERATING category  |
| <b>Total Facilities</b>    | <b>10.00<br/>(₹ Ten Crore Only)</b> |   |   |

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated May 05, 2021, placed the rating(s) of Murti Udyog Limited (MUL) under the 'issuer non-cooperating' category as MUL 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. MUL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 21, 2022, March 31, 2022, April 10, 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 rating has been revised on account of non-availability of requisite information. The ratings also consider a decline in scale of operations coupled with net loss reported in FY21 compared to FY20.

### Detailed description of the key rating drivers

Please refer to PR dated [May 05, 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

Murti Udyog Limited (MUL) incorporated on January 11, 2008, is a closely held public limited company engaged in manufacturing of aluminium wire rod, aluminium wire and aluminium conductor steel reinforced (ACSR). The company is promoted by Mr. Praveen Goel and Mr. Naveen Goel (brother of Mr. Praveen Goel).

| Brief Financials (₹ crore) | FY20(A) | FY21(A) | FY22(Prov.) |
|----------------------------|---------|---------|-------------|
| Total operating income     | 34.85   | 23.68   | NA          |
| PBILDT                     | 1.64    | 0.88    | NA          |
| PAT                        | 0.09    | -0.35   | NA          |
| Overall gearing (times)    | 2.36    | 2.54    | NA          |
| Interest coverage (times)  | 1.20    | 0.70    | NA          |

A - Audited, Prov. Provisional, NA - Not Available

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

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

**Status of non-cooperation with previous CRA:** Acuite (SMERA) has continued the rating assigned to the bank facilities of MUL into Issuer Not Cooperating category vide press release dated September 02, 2021 on account of its inability to carry out a review in the absence of requisite information.

**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 (₹ crore) | Rating Assigned along with Rating Outlook |
|-----------------------------|------|------------------|-------------|---------------|-----------------------------|---|
| Fund-based - LT-Cash Credit |      | -                | -           | -             | 8.00                        | CARE B-; Stable; ISSUER NOT COOPERATING*  |
| Non-fund-based - ST-BG/LC   |      | -                | -           | -             | 2.00                        | 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 |                              |  | Rating History                            |   |   |  |
|---------|---|-----------------|------------------------------|--|---|---|---|--|
|         |   | Type            | Amount Outstanding (₹ crore) | Rating                                   | Date(s) & Rating(s) assigned in 2022-2023 | Date(s) & Rating(s) assigned in 2021-2022             | Date(s) & Rating(s) assigned in 2020-2021 | Date(s) & Rating(s) assigned in 2019-2020  |
| 1       | Fund-based - LT-Cash Credit             | LT              | 8.00                         | CARE B-; Stable; ISSUER NOT COOPERATING* | -   | 1)CARE B; Stable; ISSUER NOT COOPERATING* (05-May-21) | -   | 1)CARE B+; Stable; ISSUER NOT COOPERATING* (24-Mar-20)<br>2)CARE BB-; Stable (24-Jun-19) |
| 2       | Non-fund-based - ST-BG/LC               | ST              | 2.00                         | CARE A4; ISSUER NOT COOPERATING*         | -   | 1)CARE A4; ISSUER NOT COOPERATING* (05-May-21)        | -   | 1)CARE A4; ISSUER NOT COOPERATING* (24-Mar-20)<br>2)CARE A4 (24-Jun-19)                  |

\*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       | Non-fund-based - ST-BG/LC   | 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](mailto:care@careedge.in) for any clarifications.

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**About CARE Ratings Limited:**

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