

Mahavir Coal Resources Private Limited

May 25, 2022

Ratings

| Facilities/Instruments | Amount (Rs. crore) | Rating ¹ | Rating Action |
|------------------------------|--|---|--|
| Long Term Bank Facilities | 5.38 | CARE B+; Stable; ISSUER NOT COOPERATING* (Single B Plus; Outlook: Stable; ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; Stable; (Double B Minus; Outlook: Stable) |
| Total Bank Facilities | 5.38 (Rs. Five Crore and Thirty-Eight Lakhs Only) | | |

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated March 22, 2021, placed the rating(s) of Mahavir Coal Resources Private Limited (MCRPL) under the 'issuer non-cooperating' category as MCRPL 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. MCRPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated February 05, 2022, February 15, 2022, February 25, 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 MCRPL have been revised on account of non-availability of requisite information. The ratings also factored in significant decline in scale of operations and profitability during FY21 over FY20.

Detailed description of the key rating drivers

Please refer to PR dated [March 22, 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

Incorporated in 2008, Mahavir Coal Resources Private Limited (MCRPL) is engaged in trading and transportation of coal. MCRPL was originally established in 1990 as a proprietorship concern by Mr. Uttam Chand Jain and the firm was reconstituted as a private limited company in 2008. MCRPL procures coal mainly through e-auction route from Coal India Ltd. (CIL) and its subsidiaries and sells to entities engaged in generation of power and manufacturing of steel and cement in Central and Northern India. MCRPL's warehouses are located in Katni (Madhya Pradesh), Bilaspur (Chhattisgarh) and Nagpur (Maharashtra).

| Brief Financials (Rs. crore) | 31-03-2020(A) | 31-03-2021(A) | 31-03-2022 (Prov.) |
|------------------------------|---------------|---------------|--------------------|
| Total operating income | 265.64 | 190.78 | NA |
| PBILDT | 52.77 | 32.04 | NA |
| PAT | 32.58 | 19.89 | NA |
| Overall gearing (times) | 0.15 | 0.10 | NA |
| Interest coverage (times) | 17.83 | 21.98 | NA |

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

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

Status of non-cooperation with previous CRA: CRISIL has continued the ratings assigned to the bank facilities of MCRPL to 'Issuer Not Cooperating' category vide press release dated March 24, 2021 on account of its inability to carry out a review in the absence of the requisite information from the company.

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 | | - | - | March 2021 | 5.38 | CARE B+; Stable; 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 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 | - | - | - | - | - | 1)Withdrawn (06-Feb-20) 2)CARE BB+; Stable (03-Apr-19) |
| 2 | Fund-based - LT-Term Loan | LT | 5.38 | CARE B+; Stable; ISSUER NOT COOPERATING * | - | - | 1)CARE BB-; Stable; ISSUER NOT COOPERATING * (22-Mar-21) | 1)CARE BB+; Stable; ISSUER NOT COOPERATING * (06-Feb-20) 2)CARE BB+; Stable (03-Apr-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-Term Loan | 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.

Contact us

Media Contact

Name – Mr. Mradul Mishra
Contact no. - +91-22-6754 3596
Email ID - mradul.mishra@careedge.in

Analyst Contact

Group Head Name - Shachee Nakul Vyas
Group Head Contact no.- 8511182592
Group Head Email ID - shachee.tripathi@careedge.in

Relationship Contact

Name -Deepak Purshottambhai Prajapati
Contact no. -9099028864
Email ID: deepak.prajapati@careedge.in

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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