

Maxlite AAC Blocks (India) Private Limited

May 31, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	12.00	CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable; (Single B; Outlook: Stable)
Total Bank Facilities	12.00 (Rs. Twelve Crore Only)		

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated March 23, 2021, placed the rating(s) of Maxlite AAC Blocks (India) Private Limited (MABPL) under the 'issuer non-cooperating' category as MABPL 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. MABPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated February 06, 2022, February 16, 2022 and February 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).

The ratings assigned to the bank facilities of MABPL have been revised on account of non-availability of requisite information. The ratings further consider decline in scale of operations with reporting net losses, deterioration in capital structure and debt coverage indicators during FY21 over FY20.

Detailed description of the key rating drivers

Please refer to PR dated [March 23, 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

Bangalore based, Maxlite AAC Blocks (India) Private Limited is engaged in the business of manufacturing of Autoclaved Aerated Concrete (AAC) blocks with the installed capacity of 22,000 blocks per day. It purchases the raw materials required from the places like Chennai, Rajasthan, Andhra Pradesh, Pune and sells the blocks to the entities located in Southern part of India.

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)
Total operating income	28.51	21.39	NA
PBILDT	3.00	1.41	NA
PAT	0.66	-1.02	NA
Overall gearing (times)	17.34	-55.47	NA
Interest coverage (times)	1.83	0.82	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: Annexure-3

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

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

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		-	-	May, 2027	10.20	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Bank Overdraft		-	-	-	1.80	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-Term Loan	LT	10.20	CARE B-; Stable; ISSUER NOT COOPERATING*	-	-	1) CARE B; Stable; ISSUER NOT COOPERATING* (23-Mar-21) 2) CARE B+; Stable (15-Jul-20)	-
2	Fund-based - LT-Bank Overdraft	LT	1.80	CARE B-; Stable; ISSUER NOT COOPERATING*	-	-	1) CARE B; Stable; ISSUER NOT COOPERATING* (23-Mar-21) 2) CARE B+; Stable (15-Jul-20)	-

*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-Bank Overdraft	Simple
2	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 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

Mr. Mradul Mishra

Contact No.: +91-22-6837 4424

Email ID – mradul.mishra@careedge.in

Analyst Contact

Ms. Shahchee Vyas

Contact No.: +91-79-4026 5665

Email ID – shahchee.tripathi@careedge.in

Relationship Contact

Name: Mr. Nitin Kumar Dalmia

Contact no. : 080- 4662 5555

Email ID: nitin.dalmia@careedge.in

About CARE Ratings:

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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