

Mauria Udyog Limited

June 06, 2019

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long term Bank Facilities	55.00	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Revised from CARE BB+; Stable; Issuer Not Cooperating
Short term Bank Facilities	240.00	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Revised from CARE A4+; Issuer Not Cooperating
Total	295.00 (Rupees Two Hundred and Ninety five crore only)		

Details of instruments/facilities in Annexure-1

**Issuer did not cooperate; based on best available information*

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated March 26, 2018, placed the rating of Mauria Udyog Limited (MUL) under the 'issuer non-cooperating' category as Mauria Udyog Limited had failed to provide information for monitoring of the rating 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. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE'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

The revision in the ratings assigned to Mauria Udyog Limited take into consideration delays in debt servicing by the company.

Analytical approach: *Standalone*

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)
[CARE's Policy on Default Recognition](#)
[Criteria on assigning Outlook to Credit Ratings](#)
[Rating Methodology-Manufacturing Companies](#)
[Financial ratios – Non-Financial Sector](#)

About the Company

MUL was incorporated in 1980 by the Sureka family comprising Mr V K Sureka, Mr N K Sureka and Mr A K Sureka. The operations of the company are managed by Mr N K Sureka (Managing Director). MUL is the flagship company of the Mauria group. The group is involved in diverse business activities including manufacturing of cylinders, valves, regulators, terry towels, trading of commodities, NBFC, etc. MUL is engaged in the manufacturing of cylinders, valves and regulators used for filling Liquefied Petroleum Gas (LPG) and other gases such as ammonia and refrigerants. MUL also manufactures 100% cotton terry towels at its facility located in Faridabad. The terry towels are sold under the brand name "Eurospa" and are sold domestically as well as exported to countries like Ukraine, France, etc. MUL is also engaged in trading and manufacturing of agro-commodities such as soybean meal & cake and domestic trading of metals like steel, brass, copper and ferrous scrap.

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)
------------------------------	----------	----------

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications

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

Total operating income	1356.84	1188.84
PBILDT	51.04	54.92
PAT	9.19	4.31
Overall gearing (times)	2.41	1.83
Interest coverage (times)	1.56	1.27

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	55.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE BB+; Stable; ISSUER NOT COOPERATING* on the basis of best available information
Non-fund-based - ST-Letter of credit	-	-	-	125.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE A4+; ISSUER NOT COOPERATING* on the basis of best available information
Non-fund-based - ST-EPC/PCFC	-	-	-	115.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE A4+; ISSUER NOT COOPERATING* on the basis of 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 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Cash Credit	LT	55.00	CARE D; ISSUER NOT	-	-	1)CARE BB+; Stable; ISSUER NOT	-

				COOPERATING* Issuer not cooperating; Revised from CARE BB+; Stable; ISSUER NOT COOPERATING* on the basis of best available information			COOPERATING* (26-Mar-18) 2)CARE BBB-; Stable (09-May-17)	
2.	Non-fund-based - ST-Letter of credit	ST	125.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE A4+; ISSUER NOT COOPERATING* on the basis of best available information	-	-	1)CARE A4+; ISSUER NOT COOPERATING* (26-Mar-18) 2)CARE A3 (09-May-17)	-
3.	Non-fund-based - ST-EPC/PCFC	ST	115.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE A4+; ISSUER NOT COOPERATING* on the basis of best available information	-	-	1)CARE A4+; ISSUER NOT COOPERATING* (26-Mar-18) 2)CARE A3 (09-May-17)	-

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Contact us

Media Contact

Mradul Mishra
 Contact no. – +91-22-6837 4424
 Email ID – mradul.mishra@careratings.com

Analyst Contact

Sachin Mathur
 Contact no. - +91-11-4533 3206
 Email ID- sachin.mathur@careratings.com

Business Development Contact

Swati Agrawal
 Contact no. : +91-11-4533 3237
 Email ID: swati.agrawal@careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**