



Press Release

Maiden Forgings Limited
(erstwhile Maiden Forgings Private Limited)

December 10, 2024

Ratings

Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long-term Bank Facilities	61.17	IVR BB/ Negative ISSUER NOT COOPERATING* (IVR Double B with Negative Outlook Issuer Not Cooperating)	IVR BB+/ Negative ISSUER NOT COOPERATING* (IVR Double B Plus with Negative Outlook Issuer Not Cooperating)	Downgraded and continues in Issuer Not Cooperating category	Simple
Short-term Bank Facilities	3.00	IVR A4 ISSUER NOT COOPERATING* (IVR A Four Issuer Not Cooperating)	IVR A4+ ISSUER NOT COOPERATING* (IVR A Four Plus Issuer Not Cooperating)	Downgraded and continues in Issuer Not Cooperating category	Simple
Total	64.17 (INR Sixty-four crore and seventeen lakh only)				

**Issuer not cooperating; Based on best available information*

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

The downgrade of the long-term and short-term rating is because of lack of adequate information regarding Maiden Forgings Limited's (erstwhile Maiden Forgings Private Limited) (MFL) performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the company is commensurate with its rating and reviews the same as per its policy. The long-term rating outlook has continued to remain Negative due to information availability risk.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.



Press Release

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities vide E-mail communications dated September 06, 2024, December 05, 2024, December 06, 2024, December 07, 2024, December 09, 2024, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the surveillance fees, and all the essential details required for detailed review of the assigned ratings.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term and short-term rating for the bank loan facilities of MFL aggregating to Rs. 64.17 crore shall remain in the 'ISSUER NOT COOPERATING' category by Infomerics and the long-term rating be noted as IVR BB/ Negative ISSUER NOT COOPERATING; based on best available information (IVR Double B with Negative Outlook Issuer Not Cooperating; based on best available information) and the short-term rating will be noted as IVR A4 ISSUER NOT COOPERATING; based on best available information (IVR A Four Issuer Not Cooperating; based on best available information) of MFL. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

Analytical Approach: Standalone

Applicable Criteria:

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Rating Methodology for Manufacturing Companies.](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\).](#)

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)



Press Release

About the Company

Delhi based Maiden Forgings Limited (MFL) was incorporated in February 2005 by Late Mr. Sanjay Garg as Maiden Forgings Private Limited (MFPL) and later on during 2023, the company converted into a public limited company and rechristened as MFL. The company got listed on stock exchange on April 06, 2023. MFL is currently being managed by Mr. Nishant Garg, director and son of Mr. Sanjay Garg and Mrs. Nivedita Garg, director and wife of Mr. Sanjay Garg MFL is engaged in the manufacturing of various types of bright steel bars and wires which is used for manufacturing of automotive components like Axle, clutch etc. MFL is primarily a Tier 2 supplier of automotive components and supplying to various tier 1 suppliers. The company has three manufacturing facility based at Ghaziabad with total installed capacity of around 31500 metric tons per annum of bright bars and wires.

Financials (Standalone):

For the year ended* / INR. Crore	(Rs. crore)	
	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	220.82	236.10
EBITDA	21.97	22.86
PAT	9.61	9.72
Total Debt	67.54	62.67
Tangible Net Worth	40.72	70.97
EBITDA Margin (%)	9.95	9.68
PAT Margin (%)	4.34	4.10
Overall Gearing Ratio (x)	1.66	0.88
Interest Coverage (x)	4.01	3.87

* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: Nil.

Any other information: Nil



Press Release

Rating History for last three years:

Sr. No.	Name of Security/Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years			
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24 (Nov. 10, 2023)	Date(s) & Rating(s) assigned in 2022-23 (Oct. 20, 2022)	Date(s) & Rating(s) assigned in 2021-22	
							(Aug. 04, 2021)	(Jul. 27, 2021)
1.	Term Loans	Long Term	7.71	IVR BB/ Negative ISSUER NOT COOPERATING*	IVR BB+/ Negative ISSUER NOT COOPERATING*	IVR BBB-/ Stable	IVR BBB-/ Stable	-
2.	Cash Credit (incl. FBWC)	Long Term	44.40	IVR BB/ Negative ISSUER NOT COOPERATING*	IVR BB+/ Negative ISSUER NOT COOPERATING*	IVR BBB-/ Stable	IVR BBB-/ Stable	IVR BBB-/ Stable
3.	Proposed Cash Credit	Long Term	-	-	-	-	IVR BBB-/ Stable	-
4.	Covid Loans	Long Term	0.92	IVR BB/ Negative ISSUER NOT COOPERATING*	IVR BB+/ Negative ISSUER NOT COOPERATING*	IVR BBB-/ Stable	-	-
5.	Business Loans	Long Term	0.68	IVR BB/ Negative ISSUER NOT COOPERATING*	IVR BB+/ Negative ISSUER NOT COOPERATING*	IVR BBB-/ Stable	-	-
6.	Equipment Loan	Long Term	7.46	IVR BB/ Negative ISSUER NOT COOPERATING*	IVR BB+/ Negative ISSUER NOT COOPERATING*	IVR BBB-/ Stable	-	-
7.	Letter of Credit	Short Term	3.00	IVR A4 ISSUER NOT COOPERATING*	IVR A4+ ISSUER NOT COOPERATING*	IVR A3	IVR A3	-

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

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration



Press Release

from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are 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 us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Instrument/Facility Details:

Name of Facility/ Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan 1	-	-	-	August 2024	3.26	IVR BB/ Negative ISSUER NOT COOPERATING*
Term Loan 2	-	-	-	June 2028	4.45	IVR BB/ Negative ISSUER NOT COOPERATING*
Business Loan 1	-	-	-	April 2024	0.29	IVR BB/ Negative ISSUER NOT COOPERATING*
Business Loan 2	-	-	-	April 2023	0.10	IVR BB/ Negative ISSUER NOT COOPERATING*
Business Loan 3	-	-	-	April 2024	0.29	IVR BB/ Negative ISSUER NOT COOPERATING*
Equipment Loan 1	-	-	-	April 2023	0.28	IVR BB/ Negative ISSUER NOT COOPERATING*



Press Release

Equipment Loan 2	-	-	-	March 2023	0.22	IVR BB/ Negative ISSUER NOT COOPERATING*
Equipment Loan 3	-	-	-	February 2023	0.08	IVR BB/ Negative ISSUER NOT COOPERATING*
Equipment Loan 4	-	-	-	October 2022	0.02	IVR BB/ Negative ISSUER NOT COOPERATING*
Equipment Loan 5	-	-	-	March 2027	3.00	IVR BB/ Negative ISSUER NOT COOPERATING*
Equipment Loan 6	-	-	-	December 2023	0.59	IVR BB/ Negative ISSUER NOT COOPERATING*
Equipment Loan 7	-	-	-	June 2027	1.97	IVR BB/ Negative ISSUER NOT COOPERATING*
Equipment Loan 8	-	-	-	March 2024	1.30	IVR BB/ Negative ISSUER NOT COOPERATING*
Covid Loan 1	-	-	-	September 2024	0.34	IVR BB/ Negative ISSUER NOT COOPERATING*
Covid Loan 2	-	-	-	August 2024	0.15	IVR BB/ Negative ISSUER NOT COOPERATING*
Covid Loan 3	-	-	-	August 2024	0.07	IVR BB/ Negative ISSUER NOT COOPERATING*
Covid Loan 4	-	-	-	September 2024	0.36	IVR BB/ Negative ISSUER NOT COOPERATING*
Cash Credit 1	-	-	-	-	16.50	IVR BB/ Negative ISSUER NOT COOPERATING*
Cash Credit 2	-	-	-	-	23.00	IVR BB/ Negative ISSUER NOT COOPERATING*
FBWC (eDFS)	-	-	-	-	4.90	IVR BB/ Negative ISSUER NOT COOPERATING*
LC 1	-	-	-	-	1.50	IVR A4 ISSUER NOT COOPERATING*
LC 2	-	-	-	-	1.50	IVR A4 ISSUER NOT COOPERATING*

* Issuer did not cooperate; based on best available information

Annexure 2: Facility wise lender details: Not Applicable

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.