



Press Release

Mangalam Worldwide Limited (MWL)

December 23, 2024

Ratings

Facilities	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Facilities	130.00	IVR BBB- / Negative; ISSUER NOT COOPERATING* Category (IVR Triple B Minus with Negative Outlook; ISSUER NOT COOPERATING* Category)	IVR BBB/ Stable (IVR Triple B with Stable Outlook)	Downgraded and moved to ISSUER NOT COOPERATING Category	Simple
Short Term Facilities	10.00	IVR A3; ISSUER NOT COOPERATING* Category (IVR A Three; ISSUER NOT COOPERATING* Category)	IVR A3 (IVR A Three)	Reaffirmed and moved to ISSUER NOT COOPERATING* Category	Simple
Total	140.00 (Rupees One Hundred Forty Crore Only)				

**Issuer did not cooperate; 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 in the ratings assigned to the bank facilities of Mangalam Worldwide Limited (MWL) reflects lack of adequate information available, non-payment of annual surveillance fee and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

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



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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 mail communications dated September 25, 2024, October 01, 2024, October 04, 2024, October 07, 2024, and November 28, 2024 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the management of the company has not submitted the requested information for monitoring the 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 review the rating based on the best available information.

Accordingly, the long-term ratings of the bank loan facilities aggregating to Rs.130.00 crore and short-term ratings of the bank loan facilities aggregating to Rs. 10.00 crore of Mangalam Worldwide Limited shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the ratings will be at 'IVR BBB-; ISSUER NOT COOPERATING' with Negative Outlook and IVR A3; 'ISSUER NOT COOPERATING', respectively based on best available information. 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:

[Policy on issuer not cooperating](#)

[Rating Methodology for Manufacturing Companies](#)

[Criteria of assigning Rating outlook](#)

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

[Policy on Default Recognition and Post-Default Curing Period](#)

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



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About the Company

Incorporated in 1995, MWL is promoted by Ahmedabad based 'Mangalam' Group. The company is engaged in manufacturing and trading of steel products (S.S. Billets, S.S. Flat Bars, Steel and Seamless pipes etc.). The company has integrated steel products manufacturing plants right from manufacturing billets, ingots to seamless pipes which brings efficiency in operations along with the advantage of full range of products from these activities.

Financials		(Rs. crore)	
For the year ended* / As On	31-03-2023	31-03-2024	
	Audited	Audited	
Total Operating Income	644.48	818.11	
EBITDA	18.23	37.17	
PAT	16.69	20.10	
Total Debt	84.71	102.44	
Tangible Net worth	127.58	171.39	
EBITDA Margin (%)	2.83	4.54	
PAT Margin (%)	2.58	2.44	
Overall Gearing Ratio (x)	0.66	0.60	
Interest Coverage Ratio (x)	5.41	2.51	

**Classification as per Infomerics' standards*

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2023-24 (October 30, 2023)	Date(s) & Rating(s) assigned in 2022-23 (Month xx, xxxx)	Date(s) & Rating(s) assigned in 2021-22 (Month xx, xxxx)
1.	Cash Credit	Long Term	100.00	IVR BBB-/ Negative; Issuer Not Cooperating* Category	IVR BBB/ Stable	-	-
2.	Term Loan	Long Term	30.00	IVR BBB-/ Negative; Issuer Not	IVR BBB/ Stable	-	-



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Sr. No.	Name of Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2023-24 (October 30, 2023)	Date(s) & Rating(s) assigned in 2022-23 (Month xx, xxxx)	Date(s) & Rating(s) assigned in 2021-22 (Month xx, xxxx)
				Cooperating* Category			
3.	Bank Guarantee	Short Term	4.00	IVR A3; Issuer Not Cooperating* Category	IVR A3	-	-
4.	Letter of Credit	Short Term	5.00	IVR A3; Issuer Not Cooperating* Category	IVR A3	-	-
5.	Credit Exposure Limit	Short Term	1.00	IVR A3; Issuer Not Cooperating* Category	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 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.



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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: Facility Details

Name of Facility	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	-	100.00	IVR BBB-/ Negative; Issuer Not Cooperating* Category
Term Loans	-	-	-	December 2029	30.00	IVR BBB-/ Negative; Issuer Not Cooperating* Category
Bank Guarantee	-	-	-	-	4.00	IVR A3; Issuer Not Cooperating* Category
Letter of Credit	-	-	-	-	5.00	IVR A3; Issuer Not Cooperating* Category
Credit Exposure Limit	-	-	-	-	1.00	IVR A3; Issuer Not Cooperating* Category

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



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Annexure 2: Facility wise lender details: Not Available

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

Name of the Security		Detailed Explanation
	Financial Covenant	
	i.	
	ii.	
	Non-financial Covenant	
	i.	
	ii.	

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

Name of the company/Entity	Consolidation/Combined Approach

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.