



## Press Release

### Mahalaxmi Continental Ltd

November 02, 2020

#### Ratings

Instrument / Facility	Amount (Rs. crore)	Ratings	Rating Action
Long Term Bank Facilities	10.00	IVR BB+; Stable (Double B Plus with Stable outlook) and Withdrawn	Reaffirmed with revision in outlook from Positive to Stable and Withdrawn
Short Term Bank Facilities	63.00	IVR A4+ (A Four plus) and Withdrawn	Reaffirmed and Withdrawn
<b>Total</b>	<b>73.00</b> <b>(Rs. Seventy Three Crore)</b>		

Details of Facilities are in Annexure 1

#### Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

Infomerics has revised the outlook from Positive to Stable on account of lack of detailed information and subsequently withdraw the outstanding ratings assigned to the bank facilities of Mahalaxmi Continental Pvt. Ltd. with immediate effect. The above action regarding withdrawal of ratings has been taken at the request of Mahalaxmi Continental Pvt. Ltd. and 'No Objection Certificate' received from the lenders who have extended the bank facilities rated by Infomerics. The rating is withdrawn in accordance with Infomerics' policy on withdrawal.

**Analytical Approach:** Standalone

#### Applicable Criteria:

Rating Methodology for Trading companies

Financial Ratios & Interpretation (Financial Sector/Non- Financial Sector)

Policy on Withdrawal of ratings

#### Liquidity – Adequate

Adequate liquidity characterized by expected sufficient cushion in accruals vis-à-vis repayment obligations in near term.



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### About the Company

Mahalaxmi Continental Ltd (MCL) was initially incorporated as a proprietorship concern in the year 1985 by Guwahati based Mr. Lakshmi Chand Singhal. Later, in 2002 the constitution of the company was converted into a public limited company. Presently, the day to day operations of the company is managed by Mr. Naveen Kumar Gupta and Mr. Avdhesh Singhal (Directors). MCL is engaged in the trading of coking and non-coking variety of coal, both domestic and imported. The company imports coal mainly from USA, Indonesia, South Africa.

### Financials: Standalone

For the year ended* / As On	(Rs. crore)	
	31-03-2018	31-03-2019
	Audited	Audited
Total Operating Income	208.45	370.05
EBITDA	3.90	6.50
PAT	2.67	3.38
Total Debt	23.04	16.94
Tangible Net worth	26.48	29.87
EBITDA Margin (%)	1.87	1.76
PAT Margin (%)	1.76	1.33
Overall Gearing Ratio (x)	0.87	0.57

\*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 Instrument/Facilities	Current Ratings (Year 2020-21)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19	Date(s) & Rating(s) assigned in 2017-18
1.	Cash Credit	Long Term	10	IVR BB+; Stable and Withdrawn	IVR BB+/Positive (October 29, 2019)	-	-
2.	Letter of credit	Short Term	58	IVR A4+ and Withdrawn	IVR A4+ (October 29, 2019)	-	-
3.	Stand by Line of	Short	5	IVR A4+	IVR A4+		



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	Credit	Term		and Withdrawn	(October 29, 2019)		

**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](http://www.infomerics.com).

### Name and Contact Details of the Rating Analyst:

Name: Tamal Bagchi	Name: Avik Podder
Tel: (033) 46022266	Tel: (033) 46022266
Email: <a href="mailto:tamal.bagchi@infomerics.com">tamal.bagchi@infomerics.com</a>	Email: <a href="mailto:apodder@infomerics.com">apodder@infomerics.com</a>

### About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine-tune its product offerings to best suit the market.

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### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities - Cash Credit	-	-	-	10	IVR BB+; Stable and Withdrawn
Short Term Bank Facilities - Letter of credit	-	-	-	58	IVR A4+ and Withdrawn
Short Term Bank Facilities- Stand by Line of Credit	-	-	-	5	IVR A4+ and Withdrawn