



Press Release

Mahadev Yarns Private Limited

December 11, 2020

Ratings

Instrument / Facility	Amount (Rs. Crore)	Ratings	Rating Action
Long Term Fund Based Facilities – Term Loan	4.14	IVR B; ISSUER NOT COOPERATING (IVR Single B; ISSUER NOT COOPERATING)	Revised from IVR B+; Stable; ISSUER NOT COOPERATING (IVR Single B Plus with stable outlook; ISSUER NOT COOPERATING) *
Long Term Bank Facilities – Cash Credit (11.36 (including proposed limit of Rs. 0.36 crore)	IVR B; ISSUER NOT COOPERATING (IVR Single B; ISSUER NOT COOPERATING)	Revised from IVR B+; Stable; ISSUER NOT COOPERATING (IVR Single B Plus with stable outlook; ISSUER NOT COOPERATING) *
Short Term Bank Facilities – Bank Guarantee	0.50	IVR A4; ISSUER NOT COOPERATING (IVR A Four; ISSUER NOT COOPERATING) *	Continued at IVR A4; ISSUER NOT COOPERATING (IVR A Four; ISSUER NOT COOPERATING) *
Total	16.00		

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

Details of Facility are in Annexure 1

Detailed Rationale

Infomerics, vide press release dated January 09, 2020, had revised the rating of Mahadev Yarns Private Limited (MYPL) under the "ISSUER NOT COOPERATING" category as the company had failed to provide information for monitoring of its assigned rating to the bank facilities. Further, Infomerics has been consistently following up with MYPL for obtaining information through emails dated November 26th, 2020; November 28th, 2020 and December 3rd, 2020. However, the issuer has remained non cooperative.

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.



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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 entity, despite the downgrade.

Detailed Key Rating Drivers

Annual review for ISSUER NOT COOPERATING based on best available information.

Analytical Approach & Applicable Criteria

Guidelines on what constitutes Non-Cooperation by clients

Rating Methodology for Manufacturing Companies

Financial Ratios & Interpretation – (Non-financial Sector)

About the Company

Mahadev Yarns Private Limited (MYPL) incorporated in 1991 was promoted by Mr. Ram Kishan Mundhra and Ms Pushpa Devi Mundhra. The company is engaged in the manufacturing of different types of polyester yarns

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Financials

For the year ended / As on	31-03-17	31-03-18	31-03-19
	Audited	Audited	Audited
Total Operating Income	49.78	54.96	73.94
EBITDA	2.55	3.35	2.44
PAT	0.08	0.39	0.32
Total Debt	18.49	15.59	12.27
Tangible Net Worth	7.59	7.99	8.06
Ratios			
EBITDA Margin	5.12	6.10	3.29



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For the year ended / As on	31-03-17	31-03-18	31-03-19
PAT Margin	0.16	0.70	0.43
Overall Gearing Ratio	2.44	1.95	1.52

**Financials of 2019 have been obtained from MCA website*

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Rating (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.	Term Loan	Long Term	4.14	IVR B; ISSUER NOT COOPERATING	IVR B+; Stable; ISSUER NOT COOPERATING (Jan 09, 2020)	IVR BB-; Stable (Oct 24, 2018)	-
2.	Cash Credit	Long Term	11.36 (including proposed limit of Rs. 0.36 crore)	IVR B; ISSUER NOT COOPERATING	IVR B+; Stable; ISSUER NOT COOPERATING (Jan 09, 2020)	IVR BB-; Stable (Oct 24, 2018)	-
3	Bank Guarantee	Short Term	0.50	IVR A4; ISSUER NOT COOPERATING	IVR A4; ISSUER NOT COOPERATING (Jan 09, 2020)	IVR A4 (Oct 24, 2018)	-

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

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.

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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. Company's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

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, suspend 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: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long term Fund Based Facilities – Term Loan	-	-	-	4.14	IVR B; ISSUER NOT COOPERATING
Long term Fund Based Facilities - Cash Credit				11.36 (including the proposed limit of Rs. 0.36 crore)	IVR B; ISSUER NOT COOPERATING
Short term Non-Fund Based Facilities – LC/BG	-	-	-	3.92	IVR A4; ISSUER NOT COOPERATING

* Issuer did not cooperate; based on best available information