

February 24, 2023

Mahamaya Steel Industries Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Term Loan	6.50	6.50	[ICRA]B+ (Stable); ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Long Term-Fund Based-Cash Credit	30.00	30.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Long Term/ Short Term -Unallocated	10.50	10.50	[ICRA]B+ (Stable)/ [ICRA]A4; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Short Term-Non Fund Based-Others	36.00	36.00	[ICRA]A4; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Total	83.00	83.00	

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

Rationale

ICRA has retained the long term and short term ratings for the bank facilities of Mahamaya Steel Industries Limited in the 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]B+ (Stable)/ [ICRA]A4; ISSUER NOT COOPERATING".

ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due but despite repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity. The rating action has been taken in accordance with ICRA's policy in respect of non-cooperation by a rated entity available at www.icra.in.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/Group Support	Not Applicable

Consolidation/Standalone
Standalone

About the company

Mahamaya Steel Industries Limited (MSIL) was incorporated in May, 1988, by Mr. Ramanand Agrawal as the flagship company of the Raipur-based Mahamaya Group. The company was later reconstituted as a public limited company in August, 1990. Located at Raipur (Chhattisgarh), MSIL has production facilities for billets/blooms and structural steel products with annual production capacities of 200,000 metric tonne (MT) and 255,000 MT, respectively. Additionally, the company has a gas plant with an annual production capacity of 900,000 cubic metre (CuM). It supplies oxygen and nitrogen cylinders to external customers and also uses them for its captive consumption. MSIL produces heavy and light steel structural products such as beams, channels and girders, which are primarily used for heavy construction. Its products are sold under the brand name “MAHAMAYA”.

Key financial indicators

	FY2021 (in crore)	FY2022 (in crore)
Operating income	250.9	495.3
PAT	0.6	3.1
OPBDIT/OI	5.00%	3.10%
PAT/OI	0.20%	0.60%
Total outside liabilities/Tangible net worth (times)	1.0	0.6
Total debt/OPBDIT (times)	6.4	2.9
Interest coverage (times)	2.0	3.1

Source-Company

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for past three years

	Instrument	Current Rating (FY2023)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020	
					24-Feb-2023	31-Dec-2021	16-Sep-2020	26-July-2019	
1	Term Loan	Long Term	6.50	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB (Stable); ISSUER NOT COOPERATING	
2	Cash Credit	Long Term	30.00	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB (Stable); ISSUER NOT COOPERATING	
3	Unallocated Limits	Long Term/ Short Term	10.50	-	[ICRA]B+ (Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+ (Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+ (Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]BB (Stable)/ [ICRA]A4+; ISSUER NOT COOPERATING	

4	Non Fund Based	Short Term	36.00	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4+; ISSUER NOT COOPERATING
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Complexity level of the rated instrument

Instrument	Complexity Indicator
Term Loan	Simple
Cash Credit	Simple
Unallocated Limits	Not Applicable
Non Fund Based	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Term Loan	-	-	-	6.50	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
NA	Cash Credit	-	-	-	30.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
NA	Unallocated Limits	-	-	-	10.50	[ICRA]B+ (Stable)/ [ICRA]A4; ISSUER NOT COOPERATING
NA	Non Fund Based	-	-	-	36.00	[ICRA]A4; ISSUER NOT COOPERATING

Source: Mahamaya Steel Industries Limited

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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Branches



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