

May 29, 2024

Magadh Precision Equipment 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-Cash Credit	50.00	50.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Non Fund-Based-Others	25.00	25.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	75.00	75.00	

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

Rationale

ICRA has kept the long-term and short-term ratings of Magadh Precision Equipment Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Magadh Precision Equipment Limited, 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. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [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 Policy On Default Recognition
Parent/Group Support	Not Applicable
Consolidation/Standalone	Standalone

About the company

MPEL was incorporated in 1986 and is engaged in manufacturing and export of capital equipment's to the metal processing industry. The product portfolio of the company includes: Galvanizing lines, Hot and Cold Rolling Mills and Slitting lines. The products find application in the steel industry. The manufacturing unit of the company is located in Dewas, Madhya Pradesh spread over 12,000 square meters area.

Status of non-cooperation with previous CRA:

CRA	Rating Action	Date of release
CARE	CARE D /CARE D ; ISSUER NOT COOPERATING	Sep 21, 2023

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2025)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
					29-May-2024	24-Mar-2023	31-Jan-2022	13-Nov-2020
1	Cash Credit	Long Term	50.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D ISSUER NOT COOPERATING
2	Non-Fund Based	Short Term	25.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash credit	Simple
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	Cash Credit	-	-	-	50.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Non fund Based	-	-	-	25.00	[ICRA]D; ISSUER NOT COOPERATING

Source: Magadh Precision Equipment Limited

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

ANALYST CONTACTS

Girishkumar Kadam
+91 22 6114 3441
girishkumar@icraindia.com

Subhechha Banerjee
+91 33 7150 1151
subhechha.banerjee@icraindia.com

Susmita Biswas
+91-033 7150 1182
susmita.biswas@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 022-6169 3300
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

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.

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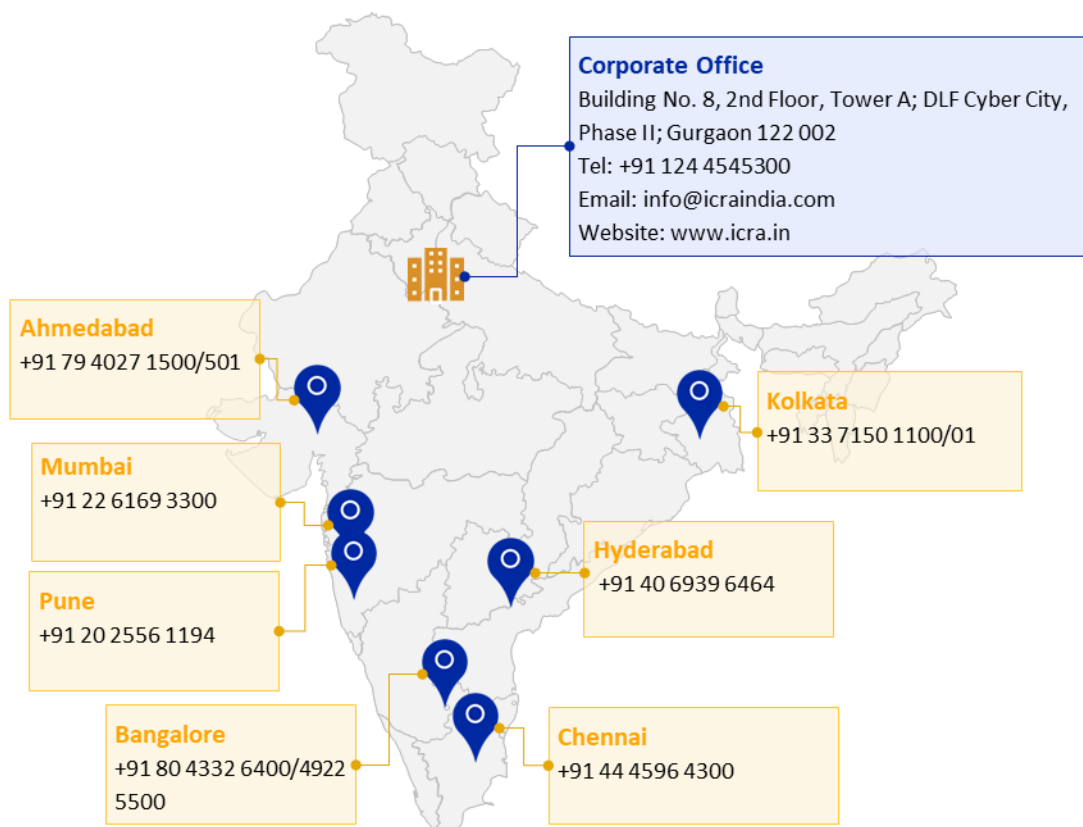


Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



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