

February 24, 2025

Mahi Formaline: 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	5.00	5.00	[ICRA]B(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Term Loan	3.50	3.50	[ICRA]B(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	8.50	8.50	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Long-Term rating of Mahi Formaline in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B(Stable); ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Mahi Formaline, 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, : [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	Corporate Credit Rating Methodology Policy In Respect of Non-Cooperation by a Rated Entity
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

About the company

Mahi Formaline was established on November 15, 2014 with the objective to set up a Greenfield project to manufacture methanol based organic chemical such as Formaldehyde, its derivatives such as Urea Formaldehyde, Melamine Formaldehyde, Phenolic resin and Hexamine. The firm has an installed capacity to manufacture 2400 tonnes of Formaldehyde per month whereas the capacity of the other derivatives cannot be determined. Formaldehyde and its derivatives find application in manufacture of Plywood, Particle Boards, Laminates whereas Hexamine finds application in pharmaceuticals as well as paints industry. The promoters are directors in 'Richa Particle Board Private Limited', which is engaged in manufacture of plain as

well as prelaminated bagassebased particle boards. Formaldehyde and its derivatives form the raw material for manufacturing particle boards and the establishment of Mahi Formaline is a backward integration for the firm, though the captive consumption of its associate concern would remain limited at ~500 tonnes per month. The promoters have a decade of experience in the resin manufacturing industry vide their association with another resin manufacturing unit namely Navdurga Industries.

Key financial indicators : NA

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

	Instrument	Type	Amount Rated (Rs. Crore)	Current Rating (FY2025)	Chronology of Rating History for the past 3 years					
				Date & Rating in	FY2024		FY2023		FY2022 *	
				Feb-24-2025	Date	Rating	Date	Rating	Date	Rating
1	Cash Credit	Long Term	5.00	[ICRA]B (Stable); ISSUER NOT COOPERATING	18-Dec-2023	[ICRA]B (Stable); ISSUER NOT COOPERATING	31-Oct-2022	[ICRA]B (Stable); ISSUER NOT COOPERATING	24-Aug-2021	[ICRA]B (Stable); ISSUER NOT COOPERATING
2	Term Loan	Long Term	3.50	[ICRA]B (Stable); ISSUER NOT COOPERATING	18-Dec-2023	[ICRA]B (Stable); ISSUER NOT COOPERATING	31-Oct-2022	[ICRA]B (Stable); ISSUER NOT COOPERATING	24-Aug-2021	[ICRA]B (Stable); ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	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-I: 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	NA	NA	NA	5.00	[ICRA]B(Stable); ISSUER NOT COOPERATING
NA	Term Loan	NA	NA	NA	3.50	[ICRA]B(Stable); ISSUER NOT COOPERATING

Source: Mahi Formaline

Annexure-II: List of entities considered for consolidated analysis: Not applicable

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About ICRA Limited:

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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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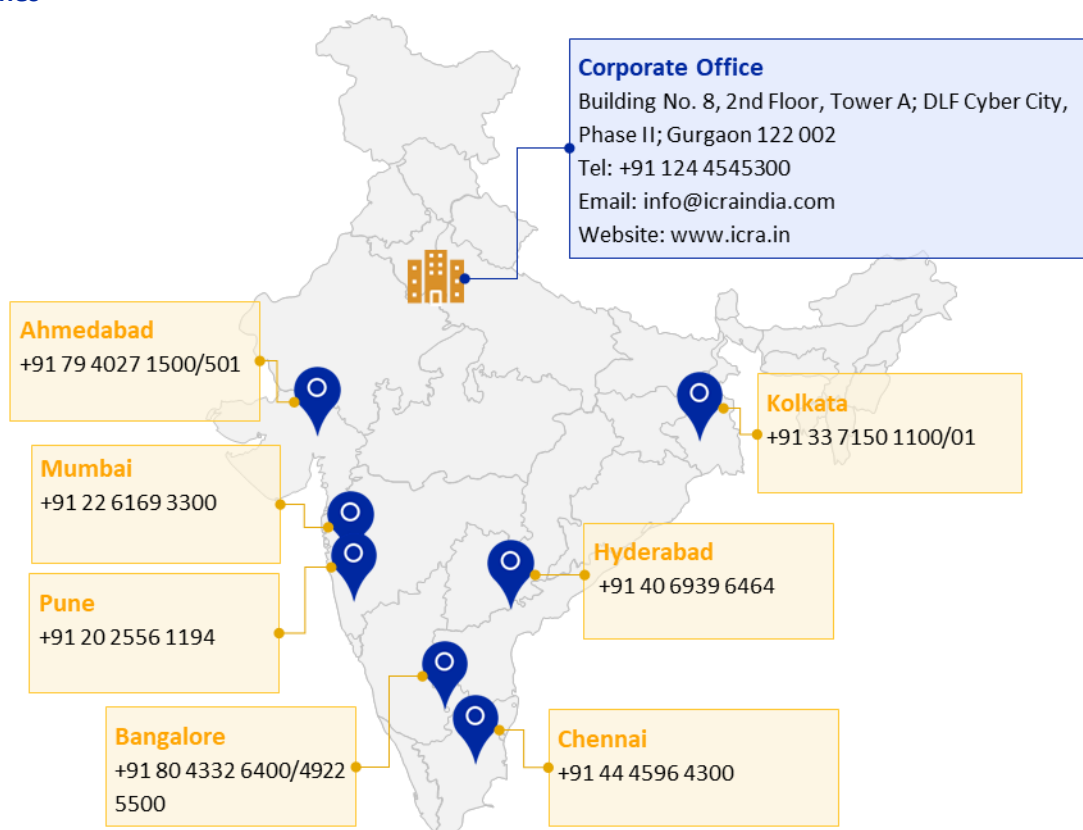
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