

January 14, 2022

Maheshwari Mining Private Limited: Ratings moved to Issuer Not-Cooperating category based on best available information; and ratings Withdrawn

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Cash Credit	32.00	32.00	[ICRA]BBB (Stable) ISSUER NOT COOPERATING; Rating moved to the 'Issuer Not Cooperating' category and Withdrawn
Working Capital Demand Loan ¹	(18.00)	(18.00)	[ICRA]BBB (Stable) ISSUER NOT COOPERATING; Rating moved to the 'Issuer Not Cooperating' category and Withdrawn
Foreign Currency Demand Loan ¹	(7.00)	(7.00)	[ICRA]BBB (Stable) ISSUER NOT COOPERATING; Rating moved to the 'Issuer Not Cooperating' category and Withdrawn
Bank Guarantee	46.00	46.00	[ICRA]A3+ ISSUER NOT COOPERATING; Rating moved to the 'Issuer Not Cooperating' category and Withdrawn
Letter of Credit ¹	(7.00)	(7.00)	[ICRA]A3+ ISSUER NOT COOPERATING; Rating moved to the 'Issuer Not Cooperating' category and Withdrawn
Unallocated Limits	47.00	47.00	[ICRA]BBB (Stable)/ [ICRA]A3+ ISSUER NOT COOPERATING; Rating moved to the 'Issuer Not Cooperating' category and Withdrawn
Total	125.00	125.00	

[^]Instrument details are provided in Annexure-1

¹Sublimit of Cash Credit/ Bank Guarantee

Rationale

The ratings have been moved to the 'Issuer Not Cooperating' category due to lack of adequate information regarding Maheshwari Mining Private Limited's (MMPL or 'the company') performance and hence uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at www.icra.in. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using these ratings as the ratings may not adequately reflect the credit risk profile of the entity.

As a part of its process and in accordance with its rating agreement with MMPL, ICRA has been trying to seek information from the entity to monitor its performance. Despite repeated requests by ICRA, the entity’s management has remained non-cooperative. ICRA has also 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 on information as well as fees. In the absence of requisite information and in line with the aforesaid policy of ICRA, a rating view has been taken on the entity based on the best available information.

ICRA has withdrawn the ratings assigned to the bank facilities of Maheshwari Mining Private Limited at the request of the company and based on the No Objection Certificate received from the banker, and in accordance with ICRA’s policy on withdrawal and suspension. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position, Rating Sensitivities, Key Financial Indicator have not been captured as the related instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Rating Methodology for Mining Entities Policy in respect of non-cooperation by the rated entity ICRA's policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	Not Applicable
Consolidation/Standalone	Not Applicable

About the company

Incorporated in 1994, Mecons Consulting Private Limited initially used to supply fly ash bricks. In 2002, the company was renamed as Maheshwari Entrepreneurs Private Limited. In 2003, the company commenced mining activities and again changed its name to Maheshwari Mining Private Limited (MMPL). At present, MMPL provides diversified underground mining services including mine development, contract mining, survey, exploration and geotechnical services for coal and other minerals like zinc, copper, uranium, manganese ore etc. MMPL also provides machinery on a hire basis, related to mining activities. In FY2016, the management merged its three Group companies — Surya Tracom Pvt. Ltd., Subham Marketing Pvt. Ltd. and Promise Vincom Pvt. Ltd. — with MMPL. The headquarter of the company is at Raniganj, West Bengal, and has regional offices across India.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2022)			Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding as on Dec 31, 2021 (Rs. Crore)	Date & Rating in	Date & Rating in	Date & Rating in	Date & Rating in
					Jan 14, 2022	Oct 07, 2020	Jan 28, 2020	Jan 08, 2019
1	Cash Credit	Long - term	32.00	-	[ICRA]BBB (Stable); ISSUER NOT COOPERATING and Withdrawn	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB- (Stable)
2	Working Capital Demand Loan1	Long Term	(18.00)	-	[ICRA]BBB (Stable); ISSUER NOT COOPERATING and Withdrawn	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB- (Stable)
3	Foreign Currency Demand Loan1	Long Term	(7.00)	-	[ICRA]BBB (Stable); ISSUER NOT COOPERATING and Withdrawn	[ICRA]BBB (Stable)	-	-
4	Bank Guarantee	Short Term	46.00	-	[ICRA]A3+; ISSUER NOT COOPERATING and Withdrawn	[ICRA]A3+	[ICRA]A3+	[ICRA]A3
5	Letter of Credit1	Short Term	(7.00)	-	[ICRA]A3+; ISSUER NOT COOPERATING and Withdrawn	[ICRA]A3+	[ICRA]A3+	[ICRA]A3
6	Unallocated Limits	Long Term/ Short Term	47.00	-	[ICRA]BBB (Stable)/ [ICRA]A3+; ISSUER NOT COOPERATING and Withdrawn	[ICRA]BBB (Stable)/ [ICRA]A3+	[ICRA]BBB (Stable)/ [ICRA]A3+	-

1Sublimit of Cash Credit/ Bank Guarantee

Complexity level of the rated instrument

Instrument	Complexity Indicator
Fund Based - Cash Credit	Simple

Fund Based - Working Capital Demand Loan	Simple
Fund Based - FCDL	Simple
Non fund based - Bank Guarantee	Very Simple
Non fund based - Letter of Credit	Very Simple
Unallocated	Not Applicable

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: www.icra.in

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 – 1	NA	NA	NA	14.00	[ICRA]BBB (Stable); ISSUER NOT COOPERATING and Withdrawn
NA	Cash Credit – 2	NA	NA	NA	5.00	[ICRA]BBB (Stable); ISSUER NOT COOPERATING and Withdrawn
NA	Cash Credit – 3	NA	NA	NA	9.00	[ICRA]BBB (Stable); ISSUER NOT COOPERATING and Withdrawn
NA	Cash Credit – 4	NA	NA	NA	4.00	[ICRA]BBB (Stable); ISSUER NOT COOPERATING and Withdrawn
NA	Working Capital Demand Loan – 11	NA	NA	NA	(11.00)	[ICRA]BBB (Stable); ISSUER NOT COOPERATING and Withdrawn
NA	Working Capital Demand Loan – 21	NA	NA	NA	(7.00)	[ICRA]BBB (Stable); ISSUER NOT COOPERATING and Withdrawn
NA	Foreign Currency Demand Loan1	NA	NA	NA	(7.00)	[ICRA] BBB (Stable); ISSUER NOT COOPERATING and Withdrawn
NA	Bank Guarantee – 1	NA	NA	NA	13.00	[ICRA]A3+; ISSUER NOT COOPERATING and Withdrawn
NA	Bank Guarantee – 2	NA	NA	NA	22.00	[ICRA]A3+; ISSUER NOT COOPERATING and Withdrawn
NA	Bank Guarantee – 3	NA	NA	NA	5.00	[ICRA]A3+; ISSUER NOT COOPERATING and Withdrawn
NA	Bank Guarantee – 4	NA	NA	NA	6.00	[ICRA]A3+; ISSUER NOT COOPERATING and Withdrawn
NA	Letter of Credit – 12	NA	NA	NA	(4.00)	[ICRA]A3+; ISSUER NOT COOPERATING and Withdrawn
NA	Letter of Credit – 21	NA	NA	NA	(3.00)	[ICRA]A3+; ISSUER NOT COOPERATING and Withdrawn
NA	Unallocated Limits	NA	NA	NA	47.00	[ICRA]BBB (Stable)/ [ICRA]A3+; ISSUER NOT COOPERATING and Withdrawn

Source: Maheshwari Mining Private Limited

1Sublimit of Cash Credit

2Sublimit of Bank Guarantee

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

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