



Press Release

M B Rubber Private Limited

June 27, 2023

Ratings:

Facilities/ Instruments	Amount (Rs. crore)	Current Ratings*	Rating Action	Complexity Indicator
Long Term Bank Facility	13.97	IVR BB/Negative; ISSUER NOT COOPERATING* (IVR Double B with Negative outlook; Issuer Not Cooperating)	Downgraded and migrated to Issuer not Cooperating category	Simple
Short Term Bank Facility	17.00	IVR A4; ISSUER NOT COOPERATING* (IVR A Four; Issuer Not Cooperating)	Downgraded and migrated to Issuer not Cooperating category	Simple
Total	30.97			

**Issuer not cooperating; Based on best available information*

Details of Facilities are in Annexure 1

Detailed Rationale

The aforesaid rating revision to the bank facilities of M.B. Rubber Private Limited reflects lack of adequate information available about the performance of the company and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

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.

Non-Cooperation by Issuer:

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned ratings to the bank facilities, vide mails communications dated May 16th, 2023, May 19th, 2023, May 22nd, 2023, May 23rd, 2023, May 30th, 2023, June 5th, 2023 and concurrently over several phone calls. However, despite repeated requests by Infomerics,



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the company's management has not submitted all the essential details/information for surveillance exercise.

In the absence of the relevant information, in consonance with SEBI guidelines, Infomerics has moved the long-term and short-term rating for the bank loan facilities of M.B. Rubber Limited, aggregating to Rs 30.97 crore to the 'ISSUER NOT COOPERATING' category. The ratings are now denoted as IVR BB (Negative) / ISSUER NOT COOPERATING* and IVR A4 ISSUER NOT COOPERATING* (IVR A Four; Issuer Not Cooperating).

**Issuer Not Co-operating; based on best available information*

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for manufacturing unit](#)

[Financial Ratios & Interpretation \(Non- Financial Sector\)](#)

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Criteria for assigning rating outlook](#)

About the Company

M B Rubber Private Limited was incorporated in the year 1988. Company manufactures a wide variety of footwear including rubber, canvas wear, and hawaii slippers. It also manufactures raincoats and school bags. The Company's plant is located in Sahibabad, Ghaziabad, Uttar Pradesh. The plant has installed capacity to manufacture 60 Lakhs pairs of footwear, 10 Lakhs pcs of school bags, 5 Lakhs pcs of raincoats and 10 Lakhs miscellaneous items.

Financials (Standalone): Standalone

For the year ended*	(In Crore)	
	31-03-2022	31-03-2023
	Audited	Provisional
Total Operating Income	101.30	100.00
EBITDA	6.40	7.44
PAT	1.88	2.59
Total Debt	30.71	31.62
Tangible Net worth	21.04	23.63
EBITDA Margin (%)	6.31	7.44



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For the year ended*	31-03-2022	31-03-2023
PAT Margin (%)	1.85	2.59
Overall Gearing Ratio (x)	1.46	1.34

*Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: NIL

Any other information: Not Applicable

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 (May 05, 2022)	Date(s) & Rating(s) assigned in 2020-21 (March 25, 2021)	Date(s) & Rating(s) assigned in 2019-2020
1.	Long Term Bank Facilities	Long Term	13.97	IVR BB/ Negative (INC*)	IVR BB+/Stable	IVR BB+/Stable	--
2.	Short Term Bank Facilities	Short Term	17.00	IVR A4; (INC*)	IVR A4+	IVR A4+	--

*Issuer not cooperating; Based on best available information

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About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.



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Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations.

For more information visit www.infomerics.com.

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 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.



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Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs Crore)	Rating Assigned/ Outlook
Long Term Fund Based Bank Facilities – Cash Credit	--	--	Revolving	10.00	IVR BB/Negative; ISSUER NOT COOPERATING* (IVR Double B with Negative outlook; Issuer Not Cooperating*)
Long Term Fund Based Bank Facilities – Term Loan	--	--	2027	3.97	IVR BB/Negative; ISSUER NOT COOPERATING* (IVR Double B with Negative outlook; Issuer Not Cooperating*)
Short Term Non Fund Based Bank Facilities – Bank Guarantee	--	--	Revolving	11.00	IVR A4; ISSUER NOT COOPERATING* (IVR A Four; Issuer Not Cooperating*)
Short Term Non Fund Based Bank Facilities – Letter of Credit	--	--	Revolving	6.00	IVR A4; ISSUER NOT COOPERATING* (IVR A Four; Issuer Not Cooperating*)

* Issuer did not cooperate; based on best available information

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details: Not Available

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

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.