

Mahalaxmi Mobiles Private Limited: Ratings withdrawn

November 6, 2023

Summary of rating action

Instrument*	Rated Amount (NPR million)	Rating action
Fund based; long-term limits	3.1	Rating withdrawn
Fund based; short-term limits	480.0	
Non-fund based; short-term limits	250.3	
Total	733.4	

Rating action

ICRA Nepal has withdrawn the long-term rating of [ICRANP] LBB 'Issuer Not Cooperating' (pronounced ICRA NP L double B Issuer Not Cooperating) and the short-term rating of [ICRANP] A4 'Issuer Not Cooperating' (pronounced ICRA NP A four Issuer Not Cooperating) assigned to the long-term loans and short-term loans of Mahalaxmi Mobiles Private Limited (MMPL or company).

The rating action has been taken in accordance with the Credit Rating Regulations 2011 following the non-cooperation from MMPL for rating information despite multiple follow-ups. The ratings were kept on notice for withdrawal for a period of six months, during which also there was no cooperation from the company for rating surveillance.

Rationale

ICRA Nepal is withdrawing the ratings as it does not have any information to suggest that the credit risk has changed since the time the ratings were last assigned. The key rating drivers, rating sensitivities, key financial indicators have not been captured as the ratings are being withdrawn.

ICRA Nepal assesses whether the information available about the entity commensurate with its ratings and reviews the same as per Credit Rating Regulations 2011 as well as ICRA Nepal's 'Withdrawal/Suspension Policy'. As part of its process and in accordance with its rating agreement, ICRA Nepal had been trying to seek information from the entity to monitor its performance, but despite repeated requests by ICRA Nepal, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA Nepal, the ratings have been withdrawn.

Link to previous detailed rating rationale

[Mahalaxmi Mobiles Private Limited: \[ICRANP\] LBB+/A4+ assigned \(September 2021\)](#)

[Mahalaxmi Mobiles Private Limited: Rating downgraded and moved to 'Issuer Not Cooperating' category with notice for rating withdrawal \(April 2023\)](#)

Analytical approach: For arriving at the ratings, ICRA Nepal has applied its rating methodology as indicated below.

Links to applicable criteria

[Corporate Credit Rating Methodology](#)

[ICRA Nepal's Policy on withdrawal of credit rating](#)

About the company

Established in 2017, Mahalaxmi Mobiles Private Limited (MMPL) is the national distributor of 'itel' and 'Tecno' branded mobile phones and accessories. Both Itel and Tecno are Chinese mobile phone manufacturers based in Shenzhen, China. The company's registered office is located in Teku-12, Kathmandu. The company is solely owned by Mr. Prakash Bahadur Swar who is also its Managing Director.

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About ICRA Nepal Limited:

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Our parent company, 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.

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