



Press Release

Malti Enterprises

July 14, 2025

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	19.24	IVR BB-/ Stable (IVR Double B Minus with Stable Outlook)	-	Assigned	Simple
Proposed Long Term Bank Facilities	5.76	IVR BB-/ Stable (IVR Double B Minus with Stable Outlook)	-	Assigned	Simple
Total	25.00 (Rupees Twenty- Five crore only)				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics Ratings has assigned its rating to the Bank facilities of M/s Malti Enterprises. The rating is mainly based on the strength derived from the vast experience of the promoter in the construction industry and a comfortable unexecuted order book of Rs. 173.58 crore. The rating is however constrained by moderate debt protection metrics and capital structure, working capital intensive nature of the business and geographical concentration risk.

The stable outlook reflects revenue visibility in the short and medium term backed by a comfortable order book.

Key Rating Sensitivities:

Upward Factors

- Sustained growth in operating income and PAT
- Improvement in the order book

Downward Factors

- Decline in operating revenue and PAT



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- Any delay in execution of work orders impacting liquidity

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Vast experience of the promoters in the construction industry:** Mr. Nandlal Nayak has been in the construction industry since 1983. In 1989, he established Malti Enterprises as a proprietorship firm functioning as a general works contractor. Over the years, he has primarily focused on construction of roads and bridges, while also engaging in coal trading and power plant installation in the past. Along with him, the key managerial persons also have an experience of over 2 decades.
- **Comfortable order book:** The firm has a healthy order book of Rs. 173.58 crore mainly comprising of construction of roads and bridges which is 2.22x of TOI for FY25 (prov.) (refers to a period from 01/04/24 to 31/03/25). Since Oct 2024 to till date, the firm has secured fresh work orders of Rs 146.37 crores. The firm is equipped with requisite equipment, machineries for executing the new work orders.

Key Rating Weaknesses

- **Geographical concentration risk:** The company has its operations only in the state of Jharkhand resulting in high geographical concentration. Though they have a moderate order book, any unforeseen disturbance in the state policies can weaken the financials of the business.
- **Tender based process:** Execution risks for newly awarded projects in a timely manner will be key to achieving growth in revenues and profits. Business certainty is dependent on the company's ability to successfully bid for the tenders as entire business is tender based. Along with this, the company also experiences competition from regional and national players.



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Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Infrastructure Companies](#)

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

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)

Liquidity - Stretched

The firm has considerable amount of deposits and retention money blocked with the government resulting in tight liquidity. The Gross Cash Accruals (GCA) are tightly matched vis-a-vis term debt obligation. The CC utilization stood high at approx. 95% for the 12 months ended May 2025. Current ratio of the firm as on March 31,2025 is 1.25x.

About the Firm:

Malti Enterprises was started as a general works contractor in 1989 by Mr. Nandlal Nayak. This Jharkhand based proprietorship firm is a Class I contractor which undertakes all types of road construction, bridge construction (open and pile foundation), building construction, structural work and other maintenance work. Currently, the firm is able to take up small to medium size projects on its own. It is engaged in construction, project management services and coordinates specialist trades for industrial/commercial projects. It also provides design inputs and engineering solutions as value-add services to their clients. The firm is registered with certain government departments like RDD (RWA) Works Division, Road Construction Department, and Water Resource Department (Ranchi, Jharkhand).



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Financials (Standalone):

For the year ended/ As on*	(Rs. crore)	
	31-03-2024	31-03-2025
	Audited	Provisional
Total Operating Income	55.02	77.99
EBITDA	5.17	6.56
PAT	3.38	3.97
Total Debt	17.47	34.31
Tangible Net Worth	19.27	22.26
EBITDA Margin (%)	9.39	8.42
PAT Margin (%)	6.06	5.04
Overall Gearing Ratio (x)	0.91	1.54
Interest Coverage (x)	3.84	2.87

* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA:

Brickwork Ratings (BRW), vide its press release dated 19th March 2025 has continued to classify the case under issuer not cooperating category on account of non-receipt of relevant information.

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Security/ Facilities	Current Ratings (2025-26)			Rating History for the past 3 years		
		Type (Long Term/ Short Term)	Amount out-standing (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
					Date	Date	Date
					Rating	Rating	Rating
1.	Fund based bank facilities	Long Term	19.24	IVR BB-/ Stable (IVR Double B Minus with Stable Outlook)	-	-	-
2.	Proposed fund-	Long Term	5.76	IVR BB-/ Stable	-	-	-



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Sr. No.	Name of Security/Facilities	Current Ratings (2025-26)			Rating History for the past 3 years		
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					Date	Date	Date
					Rating	Rating	Rating
	based bank facilities			(IVR Double B Minus with Stable Outlook)			

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About Infomerics:

Infomerics Valuation And Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

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

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.



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Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term fund- based bank facilities- Cash Credit	-	-	-	-	9.24	IVR BB-/ Stable (IVR Double B Minus with Stable Outlook)
Long Term fund- based bank facilities- Overdraft	-	-	-	-	10.00	IVR BB-/ Stable (IVR Double B Minus with Stable Outlook)
Proposed Long Term fund-based bank facilities- Cash Credit	-	-	-	-	5.76	IVR BB-/ Stable (IVR Double B Minus with Stable Outlook)

Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/Len-Multi-Enterprises-14july25.pdf>

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis: 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.