



Press Release

Shree Manglam Buildcon (I) Private Limited

December 18, 2024

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	4.00	IVR BB+/ Negative; ISSUER NOT COOPERATING* (IVR Double B Plus With Negative Outlook; ISSUER NOT COOPERATING*)	IVR BBB/ Stable (IVR Triple B With Stable Outlook)	Rating downgraded and moved to Issuer not cooperating category	Simple
Short Term Bank Facilities	117.00	IVR A4+; ISSUER NOT COOPERATING* (IVR A Four plus; ISSUER NOT COOPERATING*)	IVR A3+ (IVR A Three plus)	Rating downgraded and moved to Issuer not cooperating category	Simple
Total	121.00 (Rupees One Hundred and Twenty-One Crore Only)				

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

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 downgraded its rating assigned to the Bank facilities of Shree Manglam Buildcon (I) Private Limited because of 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



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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 rating revision.

Note on non-cooperation

Infomerics has repeatedly followed up with the company to provide information to monitor the rating(s) vide e-mail dated, October 03, 2024, November 22, 2024, November 26, 2024, December 04, 2024, along with telephonic conversations. However, despite repeated requests, the company has failed to submit the essential details required for monitoring the ratings. Availability of information is very critical in rating exercise. In the absence of the relevant information, in consonance with SEBI guidelines, the long-term and short-term of the bank loan facilities aggregating to Rs. 4.00 Crore and Rs.117.00 Crore respectively of Shree Manglam Buildcon (I) Private Limited have been moved to 'ISSUER NOT COOPERATING' category by Infomerics. The rating is now denoted as IVR BB+/ Negative Outlook; ISSUER NOT COOPERATING [pronounced IVR Double B Plus with Negative Outlook; ISSUER NOT COOPERATING], IVR A4+; ISSUER NOT COOPERATING [pronounced IVR A Four Plus; ISSUER NOT COOPERATING]. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Infrastructure Companies](#)

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

[Criteria of assigning Rating outlook](#)

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

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

[Policy on Default Recognition](#)



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About the Firm

Shree Manglam Buildcon was established in April 2011 as a partnership firm and was later converted to a private limited company on 23 May 2019. At present, the company is managed by Mr. Dinesh Patel and three other directors at Ankleshwar, Gujarat. The company is engaged in the construction of bridges and roads in Gujarat, Madhya Pradesh, and Maharashtra. It is registered as an “A” Class contractor with the Government of Madhya Pradesh and as a “AA” class and Special Category – I (Bridge) with the Government of Gujarat.

Financials Standalone:

For the year ended/ As on*	(Rs. crore)	
	31-03-2022	31-03-2023
	Audited	Audited
Total Operating Income	316.45	437.30
EBITDA	16.55	28.89
PAT	14.71	21.05
Total Debt	21.98	39.54
Tangible Net Worth	52.25	73.19
EBITDA Margin (%)	5.23	6.61
PAT Margin (%)	4.51	4.72
Overall Gearing Ratio (x)	0.28	0.45
Interest Coverage (x)	4.97	5.83

* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: Nil

Any other information: None



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Rating History for last three years:

Sr. No.	Name of Security/Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-2024	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022
					Date (December 06, 2023)	-	-
1.	Long Term Bank Facilities	Long Term	4.00	IVR BB+/ Negative (INC)	IVR BBB/ Stable	-	-
2.	Short Term Bank Facilities	Long Term	117.00	IVR A4+ (INC)	IVR A3+	-	-
Total			121.00				

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) 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.



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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.

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.

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 Bank Facilities – Cash Credit	-	-	-	-	4.00	IVR BB+/ Negative/INC
Short Term Bank Facilities – Bank Guarantee	-	-	-	-	117.00	IVR A4+/INC

Annexure 2: Facility wise lender details (Hyperlink to be added): Not Applicable

Annexure 3: Detailed explanation of covenants of the rated Security/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.