



Press Release

Inderjit Mehta Constructions Private Limited

November 28th, 2024

Ratings

Sl. No.	Instrument/ Facility	Amount (Rs. Crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
1.	Long Term Bank Facility	228.04	IVR BB+/Negative/INC* (IVR Double B Plus with Negative Outlook; ISSUER NOT COOPERATING)	IVR BBB/Negative/INC* (IVR Triple B with Negative Outlook; ISSUER NOT COOPERATING)	Downgraded under ISSUER NOT COOPERATING	Simple
2.	Long Term Bank Facilities Proposed	16.96	IVR BB+/Negative/INC* (IVR Double B Plus with Negative Outlook; ISSUER NOT COOPERATING)	IVR BBB/Negative/INC* (IVR Triple B with Negative Outlook; ISSUER NOT COOPERATING)	Downgraded under ISSUER NOT COOPERATING	Simple
Total		245.00	Rupees Two Hundred Forty-Five Crore Only			

*Issuer did not cooperate; based on best available information

Details of Facilities are in Annexure 1

Facility wise lender details are at Annexure 2

Detailed explanation of covenants is at Annexure 3

Ratings

The rating has been downgraded under 'ISSUER NOT COOPERATING' category due to non-submission of information and lack of management co-operation.

Detailed Rationale

The rating revision is because of lack of adequate information regarding Inderjit Mehta Constructions Private Limited (IMCPL) performance and hence the uncertainty around its credit risk. Infomerics Valuation and Rating Private Limited (IVR) assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

IVR has rated the bank loan facilities of Inderjit Mehta Constructions Private Limited on July 3rd, 2024. Despite close follow up through telephone calls and mails dated November 12th, 2024, November 18th, 2024, and November 20th, 2024, and concurrently over several phone calls for submission required information for review and failure to submit minimum required



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information for a review is considered as an act of non-cooperation. In the absence of adequate information from the company, IVR is unable to assess the company's financial performance and its ability to service its debt and maintain a valid rating. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company. Based upon the same, Infomerics Ratings (IVR) has downgraded the long-term rating to IVR BB+/Negative, under ISSUER NOT COOPERATING.

Non-cooperation by Issuer

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term rating for the bank loan facilities of IMCPL aggregating to Rs. 245.00 crore have been downgraded under 'ISSUER NOT COOPERATING' category by Infomerics and the long-term rating to be noted as IVR BB+/Negative; ISSUER NOT CO-OPERATING; based on best available information.

Analytical Approach: For arriving at the ratings, IVR has analysed IMPCL's credit profile by considering the standalone financial statements of the company.

Applicable Criteria:

[Rating Methodology for Infrastructure Companies.](#)
[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)
[Guidelines on what constitutes Non-Cooperation by clients](#)
[Criteria for assigning Rating outlook.](#)
[Policy on Default Recognition](#)
[Complexity Level of Rated Instruments/Facilities](#)

About the Company

Inderjit Mehta Constructions Private Limited (IMCPL), incorporated in December 1993 as private limited company in Chandigarh, Punjab under the leadership of Mr. Inderjit Mehta who has more than 5 decades of experience in construction line or infrastructure projects. The company is engaged in civil construction work related to industrial/commercial projects, residential projects and gas pipeline work. The company is "Super Special Class" registered contractors with Military Engineer Services (MES) which gives unlimited tendering capability. It is also registered as 'CIV - IV' contractor for Defence Research and Development Organization (DRDO) and 'Class-I' civil contractor for Central Public Welfare Department (CPWD).

Financials (Standalone):



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(Rs. crore)

For the year ended*/As on	31-03-2021	31-03-2022
	Audited	Audited
Total Operating Income	237.36	287.83
EBITDA	22.01	33.69
PAT	10.20	12.03
Total Debt	51.28	48.48
Tangible Net worth	120.92	132.08
EBITDA Margin (%)	9.27	11.70
PAT Margin (%)	4.26	4.16
Overall Gearing Ratio (x)	0.42	0.37
Interest Coverage Ratio (x)	3.99	3.12

**Classification as per Infomerics' standards*

Status of non-cooperation with previous CRA: Brickworks Ratings vide press release dated September 25th, 2024, has continued to classify the case under Issuer Not Cooperating category on account of non-submission of relevant information.

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2024-25)				Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25 (July 3 rd , 2024)	Date(s) & Rating(s) assigned in 2023-24 (May 10 th , 2023)	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
1.	Fund Based	Long Term	52.04	IVR BB+ /Negative/ INC	IVR BBB /Negative/ INC	IVR BBB+/Stable	-	-
2.	Non-Fund Based	Long Term	176.00	IVR BB+ /Negative/ INC	IVR BBB /Negative/ INC	IVR BBB+/Stable	-	-
3.	Non-Fund Based-Proposed	Long Term	16.96	IVR BB+ /Negative/ INC	IVR BBB /Negative/ INC	IVR BBB+/Stable	-	-



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Name and Contact Details of the Rating Analyst:

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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.

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

For more information visit www.infomerics.com.

<p>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.</p>



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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
Term Loan (GECL)			Nov 2027	7.45	IVR BB+ /Negative/ INC
Term Loan (GECL)			Mar 2028	5.59	IVR BB+ /Negative/ INC
Cash Credit	-	-	-	25.00	IVR BB+ /Negative/ INC
Cash Credit	-	-	-	14.00	IVR BB+ /Negative/ INC
Bank Guarantee*				176.00	IVR BB+ /Negative/ INC
Proposed- BG*	-	-	-	16.96	IVR BB+ /Negative/ INC

**BG Tenor is more than 1 year*

Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-IMCPL-nov24.pdf>

Annexure 3: Detailed explanation of covenants of the rated securities/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 [Complexity Level of Rated Instruments/Facilities](#).