



Press Release

MVR Technology

March 20, 2024

Ratings

Facilities	Amount (INR Crore)	Ratings	Rating Action	Complexity Indicator
Fund Based - Long Term Bank Facilities – Cash Credit	22.00	IVR B+/Negative (ISSUER NOT COOPERATING) * (IVR B Plus with Negative Outlook) ISSUER NOT COOPERATING	Downgraded & Moved to ISSUER NOT COOPERATING Category	Simple
Fund Based - Long Term Bank Facilities – Cash Credit (Proposed)	8.00	IVR B+/Negative (ISSUER NOT COOPERATING) * (IVR B Plus with Negative Outlook) ISSUER NOT COOPERATING	Downgraded & Moved to ISSUER NOT COOPERATING Category	Simple
Non-Fund Based - Short Term Bank Facilities – Bank Guarantee	9.15	IVR A4 (ISSUER NOT COOPERATING) * (IVR A Four ISSUER NOT COOPERATING)	Downgraded & Moved to ISSUER NOT COOPERATING Category	Simple
Non-Fund Based - Short Term Bank Facilities – Bank Guarantee (Proposed)	30.85	IVR A4 (ISSUER NOT COOPERATING) * (IVR A Four ISSUER NOT COOPERATING)	Downgraded & Moved to ISSUER NOT COOPERATING Category	Simple
Total	70.00 (Rupees Seventy Crore only)			

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

Detailed Rationale

Infomerics has downgraded the ratings assigned to the bank facilities of MVR Technology which reflects lack of adequate information available about the performance of the company. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.



Press Release

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 rating revision.

Note on non-cooperation.

Infomerics has been regularly following up with the company to provide the information to monitor its assigned rating to the bank facilities, vide most recent mail communications dated January 02, 2024, January 08, 2024, February 05, 2024, February 19, 2024, March 04, 2024, and concurrently over several phone calls. However, despite repeated requests by Infomerics. The company has not provided information for surveillance. Infomerics has been also regularly following up with the company to provide the NDS to monitor its assigned rating to the bank facilities. However, despite repeated requests by Infomerics, the company's management has not submitted the NDS for the months of January 2024 and February 2024.

Availability of information is very critical in rating exercise. In the absence of the relevant information, in consonance with SEBI guidelines, Infomerics has moved the ratings assigned to the bank loan facilities of MVR Technology aggregating to INR 70.00 crore to the 'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR B+; ISSUER NOT COOPERATING/ Negative Outlook for the long-term bank facilities and IVR A4; ISSUER NOT COOPERATING for the short-term bank facilities.

Analytical Approach: Standalone

Applicable Criteria

[Rating Methodology for Manufacturing Companies](#)

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

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

[Policy on recognition of default](#)

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

[Criteria for rating outlook](#)



Press Release

About the Company/ Firm.

MVR Technology was established in the year 2014 as a partnership firm and is in the business of Weighing equipment Manufacturing such as Weighbridges, Weigh in Motion systems, Rail in motion, Hopper Weighing Systems, Laboratory Weighing, Table scales, Mobile Weighbridge. MVR Technology has its corporate office at 7th Lane, Chandramouli Nagar, Guntur, Andhra Pradesh

Financials (Standalone)*:

(INR crore)

For the year ended* / As on	31-03-2021	31-03-2022
	Audited	Audited
Total Operating Income	24.17	32.49
EBITDA	1.71	2.20
PAT	0.24	0.39
Total Debt	18.88	12.21
Tangible Net worth	6.44	21.26
EBIDTA Margin (%)	7.09	6.77
PAT Margin (%)	1.00	1.19
Overall Gearing ratio (X)	2.93	0.57

* Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Not applicable.

Any other information: NA

Rating History for last three years:

Sr. No.	Name of Instrument / Facility	Current Rating (Year: 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (March 06, 2023)	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21
1.	Fund Based - Bank Facilities – Cash Credit	Long Term	22.00	IVR B+/ Negative ISSUER NOT COOPERATING	IVR BB-/ Stable	-	-
2.	Fund Based -	Long Term	8.00	IVR B+/ Negative	IVR BB-/ Stable	-	-



Press Release

Sr. No.	Name of Instrument / Facility	Current Rating (Year: 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (March 06, 2023)	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21
	Bank Facilities – Cash Credit (Proposed)			ISSUER NOT COOPERATING			
3	Non-Fund Based - Bank Facilities – Bank Guarantee	Short Term	9.15	IVR A4 ISSUER NOT COOPERATING	IVR A4		
4	Non-Fund Based - Bank Facilities – Bank Guarantee (Proposed)	Short Term	30.85	IVR A4 ISSUER NOT COOPERATING	IVR A4		
Total			70.00				

Issuer did not cooperate; based on best available information

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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).



Press Release

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.

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: Details of Instruments/ Facilities: Not Applicable

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

Annexure 3: Facility wise lender details: Not Applicable

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.