



## Press Release

### Mahakaleshwar Infratech Private Limited

May 22<sup>nd</sup>, 2023

#### Ratings

Instrument/ Facility	Amount (Rs. Crore)	Current Ratings	Previous Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Bank Facilities- Fund Based Long Term	2.20	IVR BB/ Negative; Issuer Not Cooperating (IVR Double B/ Negative; Issuer Not Cooperating*)	IVR BB+/ Issuer Not Cooperating (IVR Double B Plus with Issuer Not Cooperating)	<b>Downgraded and remains in Issuer Not Cooperating category</b>	Simple
Bank Facilities- Non-Fund Based Long Term	67.80	IVR BB/ Negative; Issuer Not Cooperating (IVR Double B/ Negative; Issuer Not Cooperating*)	IVR BB+/ Issuer Not Cooperating (IVR Double B Plus with Issuer Not Cooperating)	<b>Downgraded and remains in Issuer Not Cooperating category</b>	Simple
<b>Total</b>	<b>70.00</b>	<b>Rs. Seventy crores only</b>			

\* Issuer not cooperating; Based on best available information

#### Details of Facilities are in Annexure 1.

#### Detailed Rationale

The rating downgrade is because of lack of adequate information regarding **Mahakaleshwar Infratech Private Limited** and hence 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 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 downgrade.

#### Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide E-mail communications dated February 09, 2023, March 21, 2023, and April 25, 2023, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted all the essential information and documents.



## Press Release

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 **Mahakaleshwar Infratech Private Limited** aggregating to **Rs. 70.00** crore shall remain in 'ISSUER NOT COOPERATING' category to “**‘IVR BB/ Negative’ ISSUER NOT COOPERATING’: & ‘IVR A4’ ISSUER NOT COOPERATING based on best available information**”.

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.

**Analytical Approach:** Standalone Approach

**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](#)

### **About the Company**

Mahakaleshwar Infratech Private Limited is an integrated Road EPC company having expertise in design and construction of various projects constructed in Uttar Pradesh. The primary business operations are divided into 2 categories which are mainly road construction and bitumen processing. The company was incorporated on April 06, 2015, before which it was a sole-proprietorship from 2005. The company usually executes majority of its projects on an independent basis, but if the project requires some specific experience or expertise, the company does enter into partnerships or consortiums with other construction companies.

### **Financials (Standalone)**

(Rs. Crore)		
For the year ended*/As on	31-03-2019	31-03-2020
	<b>Audited</b>	<b>Audited</b>
Total Operating Income	85.11	111.29
EBITDA	11.02	10.22
PAT	3.85	6.23
Total Debt	21.60	28.27



## Press Release

For the year ended*/As on	31-03-2019	31-03-2020
Tangible Net worth	14.07	20.23
EBITDA Margin (%)	12.99	9.18
PAT Margin (%)	4.38	5.32
Overall Gearing Ratio (x)	1.54	1.40

\* Classification as per Infomerics' standards

**Status of non-cooperation with previous CRA:** Brickwork Ratings vide its press release dated October 19, 2022, 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 Rating (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating Date(s) & Rating(s) assigned in 2023-24 (May 22, 2023)	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22 (10 March 2022)	Date(s) & Rating(s) assigned in 2020-21 (04 January 2021)
1.	Bank Guarantee	Long Term	67.80	IVR BB/ Negative; Issuer Not Cooperating	-	IVR BB+/ Issuer Not Cooperating	IVR BBB-/ Stable
2.	Overdraft	Long Term	2.20	IVR BB/ Negative; Issuer Not Cooperating	-	IVR BB+/ Issuer Not Cooperating	IVR BBB-/ Stable

**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](http://www.infomerics.com).

**Name and Contact Details of the Rating Analyst:**

Name: Abhijeet

Name: Om Prakash Jain

Tel: (011) 45579024

Tel: (011) 45579024

Email: [abhijeet.kumar@infomerics.com](mailto:abhijeet.kumar@infomerics.com)

Email: [opjain@infomerics.com](mailto:opjain@infomerics.com)

**About Infomerics:**

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India



## Press Release

registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI). Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating. Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks. Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations. For more information visit [www.infomerics.com](http://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, 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 Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facility – Overdraft	-	-	-	2.20	IVR BB/ Negative; Issuer Not Cooperating
Long Term Bank Facility-Bank Guarantee	-	-	-	67.80	IVR BB/ Negative;



## Press Release

					Issuer Not Cooperating
--	--	--	--	--	------------------------

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

**Annexure 3: Facility wise lender details:**

<https://www.infomerics.com/admin/prfiles/Len-Mahakaleshwar-may23.pdf>

**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](http://www.infomerics.com).