



Press Release

Mahakaleshwar Infratech Private Limited

March 10, 2022

Ratings

Sl. No.	Instrument/Facility	Amount (Rs. Crore)	Ratings	Previous Ratings	Rating Action	Complexity Indicator
1	Bank Facilities-Fund Based Long Term	2.20	IVR BB+/- Issuer Not Cooperating (IVR Double B Plus with Issuer Not Cooperating)	IVR BBB-/ Stable Outlook (IVR Triple B Minus with Stable Outlook)	Downgraded and moved to Issuer Not Cooperating	Simple
2	Bank Facilities-Non-Fund Based Long Term	67.80	IVR BB+/- Issuer Not Cooperating (IVR Double B Plus with Issuer Not Cooperating)	IVR BBB-/ Stable Outlook (IVR Triple B Minus with Stable Outlook)	Downgraded and moved to Issuer Not Cooperating	Simple
	Total	70.00 (Rs. Seventy crores only)				

Details of Facilities are in Annexure 1.

Detailed Rationale

The rating downgrade is because of lack of adequate information regarding **Mahakaleshwar Infratech Private Limited** performance 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 11, 2022, February 25, 2022, and concurrently over several phone calls. However, despite



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repeated requests by Infomerics, the company's management has not submitted all the essential information and documents. 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 **Mahakaleshwar Infratech Private Limited** aggregating to **Rs. 70.00** crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as **"IVR BB+, INC (IVR Double B Plus; Issuer Not Co-operating); 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 Manufacturing Companies](#)

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

Guidelines on what constitutes Non-Cooperation by clients

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 partnerships or consortiums with other construction companies.

Financials (Standalone):

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



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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: Issuer not cooperating by India Ratings, vide press release dated October 01, 2021, due to non-availability of information.

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2021-22)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2020-21 (04 January 2021)	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19
1.	Bank Guarantee	Long Term	67.80	IVR BB+/ Issuer Not Cooperating	IVR BBB-/ Stable	-	-
2.	Overdraft	Long Term	2.20	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.

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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 registration and RBI accreditation and the activities of the company are extended to External



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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

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, suspend 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.



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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
Long Term Bank Facility – Overdraft	-	-	-	2.20	IVR BB+/ Issuer Not Cooperating
Long Term Bank Facility- Bank Guarantee	-	-	-	67.80	IVR BB+/ 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/Mahakaleshwar-lenders-mar22.pdf>

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Annexure 5: Complexity level of the rated Instruments/Facilities

Sr No.	Instrument	Complexity Indicator
1.	Overdraft	Simple
2.	Bank Guarantee	Simple

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.