



Press Release

Marda Industries Pvt Ltd

March 30, 2023

Ratings

Facilities/ Instruments	Amount (Rs. crore)	Current Ratings	Rating Action	Complexity Indicators
Long Term Fund Based Facilities – Cash Credit	1.35	IVR B-; Negative, ISSUER NOT COOPERATING (IVR Single B Minus with Negative Outlook; ISSUER NOT COOPERATING)	Reaffirmed and continue under ISSUER NOT COOPERATING category	Simple
Long Term Bank Facilities – Term Loan	11.50	IVR B-; Negative, ISSUER NOT COOPERATING (IVR Single B Minus with Negative Outlook; ISSUER NOT COOPERATING)	Reaffirmed and continue under ISSUER NOT COOPERATING category	Simple
	12.85 (Rs. Twelve Crore and Eighty Five lacs Only)			

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

Details of Facilities are in Annexure 1

Detailed Rationale

The revision in the ratings assigned to the bank facilities of Marda Industries Private Limited reflects lack of adequate information available, non-payment of annual surveillance fees 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 lender, investors and other market participants are thus advised to exercise appropriate caution while using this rating as this rating may not adequately reflect the credit risk profile of the entity.



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Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data & NDS to monitor its assigned rating to the bank facilities, vide mail communications dated February 1, 2023, February 9, 2023, February 17, 2023, and February 21, 2023 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details/information for surveillance exercise.

Availability of information is very critical in the rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to review the rating based on the best available information. Accordingly, the rating for the bank facilities of Marda Industries Private Limited aggregating Rs.12.85 crore has been continue to remain under the 'ISSUER NOT COOPERATING' category by Infomerics.

Analytical Approach: Standalone

Applicable Criteria:

[Guidelines on what constitutes Non-Cooperation by Clients](#)
[Rating Methodology for Manufacturing Companies](#)
[Financial Ratios & Interpretation \(Non-financial Sector\)](#)
[Criteria for assigning outlook](#)

About the Company

Incorporated in 2014 by the Marda family of Guwahati, Marda Industries Pvt Ltd (MIPL) is engaged in the manufacturing of Autoclaved Aerated Concrete (AAC) blocks (sand based). The manufacturing unit of the company is located at the Export Promotion Industrial Park (in Meghalaya) with an installed capacity to produce 1,00,000 cubic meters of AAC blocks annually. The plant was commissioned in June, 2016. The company sells AAC blocks under the brand name "POWERLITE"



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Financials (Standalone):

(Rs. crore)

For the year ended*	31-03-2018	31-03-2019
	(Audited)	(Audited)
Total Operating Income	6.41	7.24
EBITDA	1.83	2.40
PAT	0.01	0.02
Total Debt	11.28	12.57
Tangible Net worth	7.01	7.93
EBITDA Margin(%)	28.53	33.12
PAT Margin(%)	0.10	0.33
Overall Gearing Ratio (x)	1.61	1.59

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Brickwork Ratings in their press release dated March 24, 2023 continue to classify the case under issuer not cooperating status 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 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 (January 8, 2022)	Date(s) & Rating(s) assigned in 2020-21 (October 19, 2020)	Date(s) & Rating(s) assigned in 2019-20 (September 16, 2019)
1.	Long Term Fund Based Bank Facilities – Cash Credit	Long Term	1.35	IVR B-; Negative ISSUER NOT COOPERATING	IVR B- (ISSUER NOT COOPERATING)	IVR B+ (INC)	IVR B+/Stable
2.	Long Term Bank Facilities – Term Loan	Long Term	11.50	IVR B-; Negative ISSUER NOT COOPERATING	IVR B- (ISSUER NOT COOPERATING)	IVR B+ (INC)	IVR B+/Stable

*Issuer did not cooperate; based on best available information



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Name and Contact Details of the Rating Analyst:

Name: Mr. Parth Mehta Tel: (079) 40393043 Email: parth.mehta@infomerics.com	Name: Mr. Amit Bhuwania Tel: (022) 62396023 Email: amit.bhuwania@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 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 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
Cash Credit	-	-	-	1.35	IVR B-; Negative ISSUER NOT COOPERATING*
Term Loan	-	-	-	11.50	IVR B-; Negative ISSUER NOT COOPERATING*

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

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

Annexure 3: Facility wise lender details: Not available

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.