



## Press Release

**Marda Industries Pvt Ltd**

**January 08, 2022**

### Ratings

Sl. No.	Facilities	Amount (Rs. Crore)	Ratings	Rating Action
1	Long term Bank Facilities	12.85	IVR B-; Issuer Not Co-operating * (IVR B Minus under Issuer Not Co-operating)	Rating revised from IVR B+ Issuer Not Co-operating (IVR B Plus under Issuer Not Co-operating)
	<b>Total</b>	<b>12.85</b>		

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

### Detailed Rationale

The rating has been moved to issuer not cooperating because of lack of adequate information regarding performance of Marda Industries Pvt Ltd 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 lender, 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, despite the rating revision.

### Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data including FY2020 and FY2021 (Audited), results to monitor its assigned rating to the bank facilities, vide E-mail communications dated November 3, 2021, December 6, 2021, December 21, 2021, December 27, 2021, December 31, 2021 concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details. 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.



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Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics must assign the rating based on the best available information. Accordingly, the ratings for the bank loan facilities of Marda Industries Pvt Ltd aggregating to Rs. 12.85 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR B-; Issuer Not Co-operating; Based on best available information.

### **Analytical Approach & Applicable Criteria**

Standalone

Rating Methodology for Manufacturing Companies.

Financial Ratios & Interpretation (Non-financial Sector).

Guidelines on what constitutes Non-Cooperation by clients.

### **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".

### **Financials (Standalone):**

(Rs. In Crore)		
For the year ended* / As On	31-03-2018 (Audited)	31-03-2019 (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



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**Status of non-cooperation with previous CRA:** Vide Press release dated April 8, 2020 Brickwork Ratings has moved the ratings to non-cooperation category.

**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 (October 19, 2020)	Date(s) & Rating(s) assigned in 2019-20 (September 16, 2019)	Date(s) & Rating(s) assigned in 2018-19
1	Term Loan	Long Term	11.50	IVR B-/INC	IVR B+/INC	IVR B+/Stable	-
2	Cash Credit	Long Term	1.35	IVR B-/INC	IVR B+/INC	IVR B+/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).

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**About Infomerics:**

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually



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gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

**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.

### 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 Fund Based Limits – Term Loan	-	-	March 2023	11.50	IVR B-/INC
Long Term Fund Based Limits – Cash Credit	-	-	-	1.35	IVR B-/INC

### Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Marda-industries-lenders-jan22.pdf>

### Annexure 3: List of companies considered for consolidated analysis: NA



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**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	Cash Credit	Simple
2	Term Loan	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](http://www.infomerics.com).

