



Press Release

MMR Construction Company Private Limited

December 26, 2020

Ratings

| Facilities | Amount (Rs. crore) | Ratings | Rating Action |
|----------------------------|--------------------|--|---|
| Long term Bank Facilities | 5.00 | IVR BB-/ Stable under “Issuer Not Co-operating” (IVR Double B Minus with Stable Outlook under “Issuer Not Co-operating”) * | Downgraded from IVR BB/ Stable Outlook (IVR Double B with Stable Outlook) and moved to ISSUER NOT CO-OPERATING category |
| Short term Bank Facilities | 30.00 | IVR A4/Stable Outlook under “Issuer Not Co-operating” (IVR Single A Four under “Issuer Not Co-operating”) | Downgraded from IVR A4 (IVR Single A Four) and moved to ISSUER NOT CO-OPERATING category |
| Total | 35.00 | | |

*Issuer did not cooperate; based on best available information

Detailed Rationale

The rating revision is because of lack of adequate information regarding MMR Construction Company 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.

Infomerics has been regularly following up with the company to provide the required data including FY19 & FY20 (A) results to monitor its assigned rating to the bank facilities, vide multiple E-mail communications latest by December 09, 2020 and 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.

Non-cooperation by Issuer

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 ratings for the bank loan facilities of MMR Construction Company Private Limited aggregating to Rs. 5.00 crore shall be moved to the ‘ISSUER



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NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB-/Stable; Issuer Not Co-operating; Based on best available information (IVR Double B Minus/Stable outlook: Issuer Not Co-operating; Based on best available information) and short-term bank facilities aggregating to Rs. 30.00 crore shall be moved to 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR A4; Issuer Not Co-operating; Based on best available information (IVR A Four; Issuer Not Cooperating; Based on best available information).

Analytical Approach & Applicable Criteria

Standalone

Rating Methodology for Infrastructure Companies

Financial Ratios & Interpretation (Non-financial Sector)

About the company

Incorporated in 2008, Noida based MMR Construction Company Private Limited (MMR) was promoted by Mr. Mahipal Singh Raghav. The company commenced operations in 2015 and is engaged in execution of electrical contracts through EPC route for government agencies. Apart from execution of electrical contracts the company is also constructing a commercial building at Sector 62 Noida, having leasable area of 1.71lacs square feet for the purpose of leasing.

Financials (Standalone):

| For the year ended* | (Rs. crore) | |
|---------------------------|-------------|-------------|
| | 31-03-2018 | 31-03-2019 |
| | Audited | Provisional |
| Total Operating Income | 38.32 | 27.72 |
| EBITDA | 4.33 | 2.41 |
| PAT | 1.29 | 2.75 |
| Total Debt | 11.11 | 10.29 |
| Tangible Net worth | 21.45 | 34.26 |
| EBITDA Margin (%) | 11.30 | 8.71 |
| PAT Margin (%) | 3.35 | 8.68 |
| Overall Gearing Ratio (x) | 0.52 | 0.30 |

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Nil

Any other information: Nil



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Rating History for last three years:

| Sr. No. | Name of Instrument/Facilities | Current Rating (Year 2020-21) | | | Rating History for the past 3 years | | |
|---------|-------------------------------|-------------------------------|--------------------------------|---|---|---|---|
| | | Type | Amount outstanding (Rs. Crore) | Rating | Date(s) & Rating(s) assigned in 2019-20 | Date(s) & Rating(s) assigned in 2018-19 | Date(s) & Rating(s) assigned in 2017-18 |
| 1. | Fund Based Limits | Long Term | 5.00 | IVR BB-/ Stable Outlook; ISSUER NOT CO-OPERATING* | IVR BB/ Stable Outlook (October 09, 2019) | - | - |
| 2. | Non-Fund Based Limits | Short Term | 30.00 | IVR A4; ISSUER NOT CO-OPERATING* | IVR A4 (October 09, 2019) | | |

* Issuer did not cooperate; based on best available information

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 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 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.



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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 Bases Facilities-Term Loan (Proposed) | - | - | - | 5.00 | IVR BB-/ Stable Outlook; ISSUER NOT CO-OPERATING* |
| Long Term Fund Bases Facilities-Inland Bank Guarantee | - | - | As per the terms of sanction | 15.00 | IVR BB-/ Stable Outlook; ISSUER NOT CO-OPERATING* |
| Short Term Non-Fund Based Facilities-Proposed Letter of Credit | - | - | - | 15.00 | IVR A4; ISSUER NOT CO-OPERATING* |

* Issuer did not cooperate; based on best available information