

Press Release

Mobile Communications (India) Private Limited

April 21, 2022



Rating Downgraded and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|------------------------------------|------------------|--|--|
| Bank Loan Ratings | 25.55 | ACUITE BB+ Downgraded Issuer not co-operating* | - |
| Bank Loan Ratings | 63.45 | - | ACUITE A4+ Downgraded Issuer not co-operating* |
| Total Outstanding Quantum (Rs. Cr) | 89.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as ACUITE Double B plus) from 'ACUITE BBB-' (read as ACUITE Triple B minus) and the short-term rating to '**ACUITE A4+**' (read as ACUITE A Four plus) from ACUITE A3 (read as ACUITE A3) on the Rs.89 crore bank facilities of Mobile Communications India Private Limited (MCPL). This rating is now an indicative rating and is based on best available information.

About the Company

Mobile Communication (India) Private Limited was incorporated in the year 1992. It is a Delhi based company promoted by Mr.Ravi Kant Gandhi and family. The company is engaged in providing communication solutions to Government organizations such as Police, Paramilitary Forces and Defense organizations. MCPL is the national distributor of Motorola Solutions and Elbit Systems in India, i.e. wireless radios and accessories. The company provides IT, wireless communications, close circuit TV surveillance infrastructure and other technology solutions. In addition to the above business line, the company also has a strong presence in the Petro Engineering Solutions delivering Vapor Recovery Units to the oil companies.

Non-cooperation by the issuer/borrower

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Limitation regarding information availability

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit

ratings based.

Rating Sensitivities

No information provided by the issuer / available for Acuite to comment upon.

Material Covenants

None

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook

Not Applicable

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA

Not Applicable

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Trading Entity: <https://www.acuite.in/view-rating-criteria-61.htm>

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|--------------------------------|------------|-----------------|-----------------------------------|
| 27 Jan 2021 | Working Capital Demand Loan | Long Term | 3.00 | ACUITE BBB- Stable (Assigned) |
| | Cash Credit | Long Term | 6.00 | ACUITE BBB- Stable (Reaffirmed) |
| | Bank Guarantee | Short Term | 21.45 | ACUITE A3 (Reaffirmed) |
| | Proposed Bank Facility | Long Term | 0.53 | ACUITE BBB- Stable (Reaffirmed) |
| | Cash Credit | Long Term | 15.00 | ACUITE BBB- Stable (Reaffirmed) |
| | Term Loan | Long Term | 1.02 | ACUITE BBB- Stable (Assigned) |
| | Bank Guarantee | Short Term | 15.00 | ACUITE A3 (Reaffirmed) |
| | Bank Guarantee | Short Term | 27.00 | ACUITE A3 (Reaffirmed) |
| 17 Aug 2020 | Proposed Bank Facility | Short Term | 15.00 | ACUITE A3 (Assigned) |
| | Proposed Bank Facility | Long Term | 10.00 | ACUITE BBB- Stable (Assigned) |
| | Bank Guarantee | Short Term | 24.00 | ACUITE A3 (Reaffirmed) |
| | Cash Credit | Long Term | 6.00 | ACUITE BBB- Stable (Reaffirmed) |

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|-------------|----------------|------------|-------|--|
| 03 Jun 2019 | Cash Credit | Long Term | 6.00 | ACUITE BBB- Stable (Upgraded from ACUITE BB+ Stable) |
| | Bank Guarantee | Short Term | 24.00 | ACUITE A3 (Upgraded from ACUITE A4+) |
| 20 Jul 2018 | Cash Credit | Long Term | 5.00 | ACUITE BB+ Stable (Reaffirmed) |
| | Bank Guarantee | Short Term | 19.00 | ACUITE A4+ (Reaffirmed) |
| 25 Apr 2017 | Cash Credit | Long Term | 5.00 | ACUITE BB+ Stable (Upgraded from ACUITE BB Stable) |
| | Bank Guarantee | Short Term | 19.00 | ACUITE A4+ (Reaffirmed) |
| 13 Jun 2016 | Cash Credit | Long Term | 2.00 | ACUITE BB Stable (Assigned) |
| | Bank Guarantee | Short Term | 17.00 | ACUITE A4+ (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Rating |
|---------------------|----------------|------------------------------------|------------------|----------------|----------------|-------------------|---|
| HDFC Bank Ltd | Not Applicable | Bank Guarantee (BLR) | Not Applicable | Not Applicable | Not Applicable | 27.00 | ACUITE A4+ Downgraded Issuer not co-operating* |
| HDFC Bank Ltd | Not Applicable | Bank Guarantee (BLR) | Not Applicable | Not Applicable | Not Applicable | 21.45 | ACUITE A4+ Downgraded Issuer not co-operating* |
| State Bank of India | Not Applicable | Bank Guarantee (BLR) | Not Applicable | Not Applicable | Not Applicable | 15.00 | ACUITE A4+ Downgraded Issuer not co-operating* |
| HDFC Bank Ltd | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 6.00 | ACUITE BB+ Downgraded Issuer not co-operating* |
| State Bank of India | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 15.00 | ACUITE BB+ Downgraded Issuer not co-operating* |
| Not Applicable | Not Applicable | Proposed Long Term Bank Facility | Not Applicable | Not Applicable | Not Applicable | 0.53 | ACUITE BB+ Downgraded Issuer not co-operating* |
| HDFC Bank Ltd | Not Applicable | Term Loan | Not available | Not available | Not available | 1.02 | ACUITE BB+ Downgraded Issuer not co-operating* |
| HDFC Bank Ltd | Not Applicable | Working Capital Demand Loan (WCDL) | Not available | Not available | Not available | 3.00 | ACUITE BB+ Downgraded Issuer not co-operating* |

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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