



Press Release
MFAR CONSTRUCTIONS PRIVATE LIMITED
February 16, 2022
Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	82.45	ACUITE BB Downgraded Issuer not co-operating*	-
Bank Loan Ratings	81.50	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	163.95	-	-
Total Withdrawn	0.00	-	-

Refer Annexure for details

*The issuer did not co-operate; Based on best available information.

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE BB**' (**read as ACUITE double B**) from '**ACUITE BB+**' (**read as ACUITE double B plus**) and reviewed the short term rating of '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs. 163.95 crore bank facilities of MFAR Constructions Private Limited (MCPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Incorporated in 1996, MFAR Constructions Private Limited (MCPL) is a Bengaluru-based construction company promoted by Dr. P. Mohamed Ali and Mr. Anoop Chemmanur. The company undertakes EPC contracts (engineering, procurement and construction) for the real estate industry. The company caters to reputed clients in the real estate industry and derives around 80 percent of its revenue from Bengaluru and Mangalore real estate market while remaining is derived from Kolkata and Gurgaon real estate market.

Non-cooperation by the issuer/borrower:

Acuité 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 the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an 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 Acuité'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). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

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

Rating Sensitivity

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

Material Covenants

Not Applicable.

Liquidity Indicators

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

Outlook

Not Applicable.

Status of non-cooperation with previous CRA

Not Applicable.

Any other information

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

Applicable Criteria

- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
12 Nov 2020	Cash Credit	Long Term	10.45	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	32.50	ACUITE A4+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	32.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Proposed Cash Credit	Long Term	8.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Working Capital Demand Loan	Long Term	25.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	29.00	ACUITE A4+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	7.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	20.00	ACUITE A4+ (Downgraded and Issuer not co-operating*)
01 Aug 2019	Bank Guarantee	Short Term	20.00	ACUITE A3+ (Issuer not co-operating*)
	Proposed Cash Credit	Long Term	8.00	ACUITE BBB (Issuer not co-operating*)
	Bank Guarantee	Short Term	32.50	ACUITE A3+ (Issuer not co-operating*)
	Cash Credit	Long Term	32.00	ACUITE BBB (Issuer not co-operating*)
	Cash Credit	Long Term	10.45	ACUITE BBB (Issuer not co-operating*)
	Cash Credit	Long Term	7.00	ACUITE BBB (Issuer not co-operating*)
	Bank Guarantee	Short Term	29.00	ACUITE A3+ (Issuer not co-operating*)
	Working Capital Demand Loan	Long Term	25.00	ACUITE BBB (Issuer not co-operating*)
23 May 2018	Cash Credit	Long Term	32.00	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Cash Credit	Long Term	7.00	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Working Capital Demand Loan	Long Term	25.00	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Cash Credit	Long Term	10.45	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Letter of Credit	Short Term	10.00	ACUITE A3 (Withdrawn)
	Bank Guarantee	Short Term	29.00	ACUITE A3+ (Upgraded from ACUITE A3)
	Bank Guarantee	Short Term	20.00	ACUITE A3+ (Upgraded from ACUITE A3)
	Bank Guarantee	Short Term	32.50	ACUITE A3+ (Upgraded from ACUITE A3)
	Proposed Cash Credit	Long Term	8.00	ACUITE BBB Stable (Assigned)
	Cash Credit	Long Term	34.00	ACUITE BBB- Stable (Assigned)

01 Mar 2017	Cash Credit	Term	7.00	ACUITE BBB- Stable (Assigned)
	Working Capital Demand Loan	Long Term	25.00	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	10.45	ACUITE BBB- Stable (Assigned)
	Letter of Credit	Short Term	10.00	ACUITE A3 (Assigned)
	Bank Guarantee	Short Term	25.00	ACUITE A3 (Assigned)
	Bank Guarantee	Short Term	20.00	ACUITE A3 (Assigned)
	Bank Guarantee	Short Term	32.50	ACUITE A3 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Federal Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Indian Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	32.50	ACUITE A4+ Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	29.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	32.00	ACUITE BB Downgraded Issuer not co-operating*
Federal Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE BB Downgraded Issuer not co-operating*
Indian Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.45	ACUITE BB Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE BB Downgraded Issuer not co-operating*
Federal Bank	Not Applicable	Working Capital Demand Loan (WCDL)	Not available	Not available	Not available	25.00	ACUITE BB Downgraded Issuer not co-operating*

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About Acuité Ratings & Research

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 8,850 credit 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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