

Press Release

15 March, 2017

Mission Media Private Limited

Rating Assigned

Total Bank Facilities Rated *	Rs.6.10 Cr.
Long Term Rating	SMERA D

Refer Annexure for details

Rating Rationale

SMERA has assigned long-term rating of '**SMERA D**' (read as **SMERA D**) on the Rs. 6.10 crore bank facilities of Mission Media Private Limited.

Mission Media Private Limited (MMPL) incorporated in 2005 is engaged in the business of printing, publishing and film making (advertisements). The company publishes a local newspaper 'Chhattisgarh' as also textbooks for Maharashtra Textbook Corporation, Chhattisgarh Textbook Corporation and Orissa Textbook Corporations. Additionally, it also makes ad films for the Chattisgarh government.

Key Rating Drivers

Strengths

- **Experienced management and long track record of operations**

The management of MMPL has experience of about a decade in the given line of business. Mr. Sunil Kumar, Director possesses experience of around 40 years in the media.

Weaknesses

- **Delay in payment of interest**

The company has term loan of Rs. 5.62 cr wherein interest obligations are paid after 60 days from the due date.

- **Weak financial risk profile**

The weak financial risk profile is marked by negative networth of Rs 0.87 cr, negative gearing of 12.89 times and low interest coverage. The DSCR stood at 1.43 times and 0.65 times respectively as on 31st March, 2016.

- **Insufficient net accruals to repay long term debt obligation**

The net cash accruals stood at Rs. 0.48 cr in FY2016 which is insufficient to meet its annual debt obligation of Rs.1.37 cr.

Analytical Approach

SMERA has considered the standalone business and financial risk profiles of MMPL.

About the Rated Entity - Key Financials

For FY2016, MMPL reported profit after tax (PAT) of Rs. 0.01 cr on total operating income of Rs. 10.02 cr, as compared with (PAT) of Rs. (0.13) cr on total operating income of Rs.9.79 cr in FY2015.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

None

Applicable Criteria

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Entities In Services Sector - <https://www.smera.in/criteria-services.htm>
- Financial Ratios And Adjustments - <https://www.smera.in/criteria-fin-ratios.htm>

Note on complexity levels of the rated instrument

<https://www.smera.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

Not Applicable

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Term loans	Not Applicable	Not Applicable	31-Aug-2024	5.62	SMERA D
Cash Credit	Not Applicable	Not Applicable	Not Applicable	0.31	SMERA D
Proposed	Not Applicable	Not Applicable	Not Applicable	0.17	SMERA D

Contacts:

Analytical	Rating Desk
Vinayak Nayak, Head –Ratings Operations, SMERA Bond Ratings Tel: 022-67141190 Email: vinayak.nayak@smera.in Aniruddha Dhar Rating Analyst Tel: 033-66201212 aniruddha.dhar@smera.in	Varsha Bist, Sr. Executive Tel: 022-67141160 Email: varsha.bist@smera.in

ABOUT SMERA

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