

Press Release

MKC Infrastructure Limited

July 12, 2021

Rating Update



Total Bank Facilities Rated*	Rs. 132.00 Cr.#
Long Term Rating	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Short Term Rating	ACUITE A4+ Issuer not co-operating*

#Refer Annexure for details

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

Acuite 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. 132.00 crore bank facilities of MKC Infrastructure Limited (MKC). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

The Gujarat based MKC (the erstwhile MKC Infrastructure, a partnership firm established in 1963 by Mr. Manjibhai K. Bambhania and Mr. Rameshbhai M. Bambhania) was converted to public limited company in Dec 2009. The company is led by Mr. Purshottambhai Bambhania and Mr. Ashokbhai M. Bambhania. The company undertakes construction of roads, bridges, pipeline, commercial and residential complex projects for the state, central government's public sector organisations among others. The company is registered as "AA" class contractor with government of Gujarat, 'Special Road Category-I for roads, highways, bridges buildings. The company is also registered with NBCC, Kandla Port Trust & Engineering Projects (I) Ltd to name a few.

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 the due date.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

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

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 rating is based.

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

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

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 (if applicable)

None

Any other information

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

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
13-Apr-2020	Cash Credit	Long Term	10.18	ACUITE BB+ (Downgraded from ACUITE BBB) Issuer not co-operating*
	Term Loan	Long Term	0.82	ACUITE BB+ (Downgraded from ACUITE BBB) Issuer not co-operating*
	Bank guarantee	Short Term	121.00	ACUITE A4+ (Downgraded from ACUITE A3+) Issuer not co-operating*
04-Feb-2019	Cash Credit	Long Term	10.18	ACUITE BBB/Stable (Reaffirmed)
	Term Loan	Long Term	0.82	ACUITE BBB/Stable (Reaffirmed)
	Bank guarantee	Short Term	121.00	ACUITE A3+ (Reaffirmed)
09-Jan-2018	Cash Credit	Long Term	10.00	ACUITE BBB/Stable (Assigned)
	Term Loan	Long Term	1.00	ACUITE BBB/Stable (Assigned)
	Bank guarantee	Short Term	121.00	ACUITE A3+ (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.18	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Term Loan	Not Available	Not Available	Not Available	0.82	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	121.00	ACUITE A4+ Issuer not co-operating*

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

Contacts

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About Acuite Ratings & Research:

Acuite 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 6,000 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 Mumbai.

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