

Press Release

MKS Constro Venture Private Limited

December 12, 2022



Rating Reaffirmed & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings Loan	20.00	ACUITE BB- Reaffirmed & Withdrawn Issuer not co-operating*	-
Bank Ratings Loan	35.00	-	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	55.00	-	-

Rating Rationale

Acuite has reaffirmed and withdrawn the long term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) and the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 55.00 crore bank facilities of MKS Constro Venture Private Limited. The team has received the withdrawal request from the client because the client does not want to continue the rating. A No Due Certificate for the same has been received from the Bank of India. The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating. The rating continues to be flagged as "Issuer Not Cooperating" and is on account of information risk.

About the Company

Incorporated in 2011, MKS Constro Venture Private Limited (MKS) is engaged in the business of civil construction and primarily undertakes irrigation works and road construction works in Telangana and Maharashtra. The company is promoted by Mr. Mitesh Bhangdiya. The promoter started the business in the year 1993 as a proprietorship concern, and reconstituted as a private limited company in the year 2011. The company is executing irrigation and other infrastructure projects majorly for Vidarbha Irrigation Development Corporation (VIDC, Nagpur), Public Works Department (PWD, Maharashtra), Megha Engineering & Infrastructures Limited (MEIL) Larsen & Toubro Limited (L&T), among others.

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, informations 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. 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 continues to be 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). Acuité endeavored 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 has been provided by the issuer to comment upon.

Material Covenants

None.

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Status of non-cooperation with previous CRA

Brickworks vide its press release dated Aug 29, 2022, downgraded MKS Constro Venture LLP to BWR BB+/A4+; INC.

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>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
14 Jul 2022	Bank Guarantee	Short Term	35.00	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	20.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
15 Apr 2021	Bank Guarantee	Short Term	35.00	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	20.00	ACUITE BB (Downgraded and Issuer not co-operating*)
15 Jan 2020	Cash Credit	Long Term	20.00	ACUITE BB+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	35.00	ACUITE A4+ (Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	35.00	ACUITE A4+ Reaffirmed & Withdrawn Issuer not co-operating*
Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	20.00	ACUITE BB- Reaffirmed & Withdrawn 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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