

## Press Release

Mother India Construction Private Limited

November 11, 2022



### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	1.80	ACUITE B+   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	25.00	-	ACUITE A4   Downgraded   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	26.80	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has downgraded its long term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from **ACUITE BB** (Read as **ACUITE double B**) and the short term rating to '**ACUITE A4**' (read as **ACUITE A four**) from **ACUITE A4+** (Read as **ACUITE A four plus**) to the Rs.26.80 crore bank facilities of Mother India Construction Private Limited (MICPL).

This rating is now an indicative rating and is based on the best available information. The rating has been downgraded on account of information risk.

### About the Company

Established in 1990, Mother India Construction Private Limited is a Patna-based company promoted by Mr. Chandra Sen Singh and Mr. Ramjee Singh. The company is engaged in civil construction work in the region of Bihar & Jharkhand for construction, maintenance and renovation work for roads, irrigation canals and drainage systems among others.

### 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.

Acuite believes that information risk is a critical component in such ratings, and noncooperation 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 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 has endeavoured 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.

### 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

### Other Factors affecting Rating

None

### About the Rated Entity - Key Financials

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

### Status of non-cooperation with previous CRA

None

### Any other information

Acuité is not in receipt of the "No Default Statement (NDS)" since April 2022.

### Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Investment Trust (InvIT): <https://www.acuite.in/view-rating-criteria-72.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](http://www.acuite.in)

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
02 Sep 2021	Bank Guarantee	Short Term	25.00	ACUITE A4+ (Reaffirmed)
	Secured Overdraft	Long Term	1.80	ACUITE BB   Stable (Reaffirmed)
05 May 2020	Secured Overdraft	Long Term	1.80	ACUITE BB   Stable (Assigned)
	Bank Guarantee	Short Term	25.00	ACUITE A4+ (Assigned)

**Annexure - Details of instruments rated**

<b>Lender's Name</b>	<b>ISIN</b>	<b>Facilities</b>	<b>Date Of Issuance</b>	<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Complexity Level</b>	<b>Quantum (Rs. Cr.)</b>	<b>Rating</b>
Canara Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	25.00	ACUITE A4   Downgraded   Issuer not co-operating*
Canara Bank	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	1.80	ACUITE B+   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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