

Mahabir Nirman Private Limited

August 05, 2022

Ratings

| Facilities/Instruments | Amount (Rs. crore) | Rating ¹ | Rating Action |
|------------------------------|--|---|---|
| Long Term Bank Facilities | 3.50 | CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable; ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable (Single B; Outlook: Stable) |
| Short Term Bank Facilities | 2.50 | CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category |
| Total Bank Facilities | 6.00 (Rs. Six Crore Only) | | |

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated June 07, 2021, placed the rating(s) of Mahabir Nirman Private Limited (MNPL) under the 'issuer non-cooperating' category as MNPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. MNPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 23, 2022, May 03, 2022, May 13, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings assigned to the bank facilities of MNPL have been revised on account of non-availability of requisite information. The rating also factored in decline in scale of operations, overall profitability and debt coverage indicators during FY21.

Detailed description of the key rating drivers

Please refer to PR dated [June 07, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

Mahabir Nirman Private Limited (MNPL) was incorporated in March 2011 and after remaining dormant for around 6 and half years, the company commenced operations from January 2018 by taking over the promoter's existing partnership firm 'Mahavir Construction' which was into civil construction business since 1974. The company has been engaged in civil construction activities in the segment like construction of buildings, roads, bridges, and water supply systems. Currently; the company is managed by the four directors; Mr. Lakshaman Prasad, Mr. Rohit Raj, Mrs. Shalini Sinha Raj, Mrs. Sunita Prasad. MNPL secures work contracts through tender and executes orders mainly for various departments of Bihar Government.

| Brief Financials (Rs. crore) | FY20 (A) | FY21 (A) | FY22 (Prov.) | Q1FY23 (Prov.) |
|------------------------------|----------|----------|--------------|----------------|
| Total operating income | 8.88 | 7.75 | NA | NA |
| PBILDT | 1.03 | 0.98 | NA | NA |
| PAT | 0.41 | 0.39 | NA | NA |
| Overall gearing (times) | 1.11 | 1.02 | NA | NA |
| Interest coverage (times) | 2.22 | 2.02 | NA | NA |

A: Audited, Prov.: Provisional, NA: Not Available

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

Annexure-1: Details of Instruments/Facilities

| Name of the Instrument | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. crore) | Rating Assigned along with Rating Outlook |
|------------------------------------|------|------------------|-------------|---------------|-------------------------------|---|
| Fund-based - LT-Cash Credit | | - | - | - | 3.50 | CARE B-; Stable; ISSUER NOT COOPERATING* |
| Non-fund-based - ST-Bank Guarantee | | - | - | - | 2.50 | CARE A4; ISSUER NOT COOPERATING* |

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings | | | Rating History | | | |
|---------|--|-----------------|--------------------------------|--|---|---|---|--|
| | | Type | Amount Outstanding (Rs. crore) | Rating | Date(s) and Rating(s) assigned in 2022-2023 | Date(s) and Rating(s) assigned in 2021-2022 | Date(s) and Rating(s) assigned in 2020-2021 | Date(s) and Rating(s) assigned in 2019-2020 |
| 1 | Fund-based - LT-Cash Credit | LT | 3.50 | CARE B-; Stable; ISSUER NOT COOPERATING* | - | 1)CARE B; Stable; ISSUER NOT COOPERATING* (07-Jun-21) | - | 1)CARE B; Stable; ISSUER NOT COOPERATING* (18-Mar-20) 2)CARE B+; Stable (03-Apr-19) |
| 2 | Non-fund-based - ST-Bank Guarantee | ST | 2.50 | CARE A4; ISSUER NOT COOPERATING* | - | 1)CARE A4; ISSUER NOT COOPERATING* (07-Jun-21) | - | 1)CARE A4; ISSUER NOT COOPERATING* (18-Mar-20) 2)CARE A4 (03-Apr-19) |

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of rated instrument/facility: Not Applicable

Annexure-4: Complexity level of various instruments rated for this company:

| Sr. No. | Name of the Instrument | Complexity Level |
|---------|------------------------------------|------------------|
| 1 | Fund-based - LT-Cash Credit | Simple |
| 2 | Non-fund-based - ST-Bank Guarantee | Simple |

Annexure-5: Bank Lender Details for this Company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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