

Marc Technocrats Limited

April 25, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	-	-	Rating continues to remain under ISSUER NOT COOPERATING category; Reaffirmed at CARE B+; Stable; ISSUER NOT COOPERATING* and Withdrawn
Short Term Bank Facilities	-	-	Rating continues to remain under ISSUER NOT COOPERATING category; Reaffirmed at CARE A4; ISSUER NOT COOPERATING* and Withdrawn

Details of instruments/facilities in Annexure-1

*Issuer did not cooperate; based on best available information

Rationale & Key Rating Drivers

CARE Ratings Ltd. has reaffirmed and withdrawn outstanding rating of 'CARE B+; Stable; ISSUER NOT COOPERATING / CARE A4; ISSUER NOT COOPERATING' (Single B Plus; Outlook: Stable; ISSUER NOT COOPERATING/ A Four; ISSUER NOT COOPERATING) assigned to the bank facilities of Marc Technocrats Limited (MTL) with immediate effect. The above action has been taken at the request of MTL and No Objection Certificate received from the lender that has extended the facilities rated by CARE Ratings Ltd.

The rating assigned to Marc Technocrats Limited continues to remain constrained due to small scale of operations albeit healthy profitability, exposure to tender driven process and dependence on government spending and highly competitive intensity of the infrastructure consultancy business. The ratings, however, derives strength from the experienced promoter with established track record of operations and comfortable capital structure with debt coverage indicators.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers

At the time of last rating dated October 16, 2024, the following were the rating strengths and weaknesses (updated based on information available from ROC filings).

Key Weaknesses

Small Scale of operations albeit healthy profitability

The scale of operations as marked by total operating income(TOI) although improved but continued to remain small as TOI of MTL grew by 29% over previous year but continued to remain small at Rs. 26.07 crore in FY24. The small scale limits the company's financial flexibility in times of stress and deprives it from scale benefits.

However, profitability remaining healthy marked by PBILDT margin of 18.79% and PAT margin of 13.44% during FY24 as against 18.44% and 13.04% respectively during FY23. However, in absolute terms profitability remain low as marked by PBILDT and PAT of Rs.4.90 crore and Rs.3.50 crore respectively in FY24.

Exposure to tender driven process and dependence on government spending

The company mainly caters to orders received from various Government entities and other Government establishments. The high concentration on government contracts also makes the company susceptible to any changes pertaining to government policy in regard to awarding tenders to contractors. MTL has to participate in the tenders floated by various government agencies which can be lengthy at times. Moreover, the company is dependent on government spending for the total capital expenditure presented in the union budget every year.

Highly competitive intensity of the infrastructure consultancy business

The engineering consultancy industry in India is fragmented in nature with the presence of multiple players. The engineering consultancy in India faces competition from local and national players in the industry, including large and established companies as well as emerging players. The competition is increased by the entry of foreign players into the infrastructure

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

consultancy industry. Being tender-based business, the revenues are dependent on the company's ability to bid successfully for these tenders. Profitability margins come under pressure because of this competitive nature of the industry. However, the promoter's long industry experience and the company's diversification into different segment mitigate this risk to an extent.

Key Strengths

Experienced director and long track record of operations

The overall operations of the company are looked after by Mr. Hitender Kumar and Mrs. Suman as its directors. Mr. Hitender Kumar has an industry experience of more than one decade which he has gained through his association with MTL. The promoter has adequate acumen about various aspects of business which is likely to benefit MTL in the long run. Furthermore, the promoters are supported by experienced team having varied experience in the field of technical, marketing and finance aspects of business.

Comfortable capital structure as well as debt coverage parameters

The capital structure of MTL remained comfortable, as marked by below unity overall gearing of 0.05x as on March 31, 2024, as against 0.03x as on March 31, 2023 on account of low reliance on external debt. Further, debt coverage indicators also were comfortable owing low over debt as well as low interest cost against healthy profitability as indicated by comfortable interest coverage of 13.87x in FY24 (although deteriorated from 79.37x in FY23) and below unity Total debt to GCA at 0.25x as on March 31, 2024 (PY: 0.14x).

Applicable criteria

[Withdrawal Policy](#)

[Definition of Default](#)

[Policy in respect of non-cooperation by issuers](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Service Sector Companies](#)

[Short Term Instruments](#)

About the company

Marc Technocrats Limited (MTL) (Erstwhile Marc Technocrats Private Limited) was incorporated as a private limited company in August 2007 and is currently being managed by Mr. Hitender Kumar and Mrs. Suman. The company is engaged in the business of providing consultancy services in all aspects of civil engineering projects like road and bridge construction, outline design for planning and building control applications, detailed engineering design, project appraisals and construction supervision for state and central government.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	19.66	20.16	26.07
PBILDT	3.97	3.72	4.90
PAT	2.74	2.63	3.50
Overall gearing (times)	0.01	0.03	0.05
Interest coverage (times)	31.80	79.37	13.87

A: Audited; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Covenants of rated instrument / facility: Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - ST-Bank Overdraft		-	-	-	0.00	Withdrawn
Non-fund-based - LT-Bank Guarantee		-	-	-	0.00	Withdrawn

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - ST-Bank Overdraft	ST	-	-	1)CARE A4; ISSUER NOT COOPERATING* (25-Apr-25)	1)CARE A4; ISSUER NOT COOPERATING* (16-Oct-24)	1)CARE A4; ISSUER NOT COOPERATING* (03-Oct-23)	1)CARE A4; ISSUER NOT COOPERATING* (26-Sep-22)
2	Non-fund-based - LT-Bank Guarantee	LT	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (25-Apr-25)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (16-Oct-24)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (03-Oct-23)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (26-Sep-22)

*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of the various instruments rated**

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

Annexure-5: Lender details

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

Note on complexity levels of the rated instrument: CARE Ratings 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 us:

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