

May 16, 2024

## Power Mech Infra Limited: Continues to remain under issuer Non-Cooperating category

### Summary of rating action

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Short-Term-Non-Fund Based-Others	20.00	20.00	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long-Term-Fund Based-Cash Credit	3.00	3.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long-Term-Unallocated	40.00	40.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
<b>Total</b>	<b>63.00</b>	<b>63.00</b>	

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

<sup>^</sup>Instrument details are provided in Annexure-1

### Rationale

ICRA has kept the Long-Term and Short-Term ratings of Power Mech Infra Limited in the 'Issuer Not Cooperating' category. The rating is denoted as [ICRA]B+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING\*.

As part of its process and in accordance with its rating agreement with Power Mech Infra Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Policy in respect of non-cooperation by the rated entity</a> <a href="#">Corporate Credit Rating Methodology</a> <a href="#">Realty - Lease Rental Discounting (LRD)</a>
Parent/Group Support	NA
Consolidation/Standalone	Standalone

### About the company

Power Mech Infra Limited (PMIL) was incorporated in the year 2009 by Mr. Kishore Babu, who is also the promoter of Power Mech Projects Limited (rated [ICRA]A-(Stable)/[ICRA]A2+, last reaffirmed in April 2018). PMIL was incorporated to develop real

estate properties such as multiplexes, retail spaces and commercial office spaces. The company has three main divisions i) Commercial real estate business with lease rental income, ii) Civil construction Works iii) Hire rental income from the cranes given on lease to PMPL (business was discontinued from July 2018).

PMIL has completed two commercial real estate projects - five floor commercial complex in Noida (leasable area of 18327 sft) with a cost of Rs 13.80 crore in June 2015 and five floor commercial building in Hyderabad (leasable area of 50300 sft) with a cost of Rs 23.28 crore in March 2016. The company is undertaking construction of shopping mall cum multiplex in Vijayawada (to be operational by December 2018) at an estimated cost of Rs 50.00 crore funded by equity and internal accruals. PMIL is also setting up a 2 MW solar power capacity which will be used for captive consumption at Mall cum Multiplex.

### Key financial indicators

Standalone	FY2022	FY2023
Operating Income (Rs. crore)	51.51	45.96
PAT (Rs. crore)	-0.26	-7.21
OPBDIT/OI (%)	16.7%	11.8%
PAT/OI (%)	-0.5%	-15.7%
Total Outside Liabilities/Tangible Net Worth (times)	0.79	0.76
Total Debt/OPBDIT (times)	6.59	8.51
Interest Coverage (times)	2.43	1.87

**Status of non-cooperation with previous CRA: NA**

**Any other information: None**

### Rating history for past three years

Instrument	Current Rating (FY2025)				Chronology of Rating History for the past 3 years		
	Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022
				16-May-2024	-	02-March-2023	28-Jan-2022
1 Non-Fund Based-Others	Short-Term	20.00	-	[ICRA]A4 ; ISSUER NOT COOPERATING	-	[ICRA]A4 ; ISSUER NOT COOPERATING	[ICRA]A4 ; ISSUER NOT COOPERATING
2 Fund Based-Cash Credit	Long Term	3.00	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
3 Unallocated	Long Term	40.00	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING

### Complexity level of the rated instrument

Instrument	Complexity Indicator
Non-Fund Based-Others	Very Simple
Fund Based-Cash Credit	Simple
Unallocated	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

## Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Non-Fund Based- Others	NA	NA	NA	20.00	[ICRA]A4 ; ISSUER NOT COOPERATING
NA	Fund Based-Cash Credit	NA	NA	NA	3.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
NA	Unallocated	NA	NA	NA	40.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING

Source: Power Mech Infra Limited

## Annexure-2: List of entities considered for consolidated analysis: Not applicable

## ANALYST CONTACTS

**Rajeshwar Burla**  
+91 40 4067 6527  
[rajeshwar.burla@icraindia.com](mailto:rajeshwar.burla@icraindia.com)

**Subhechha Banerjee**  
+91 33 7150 1151  
[subhechha.banerjee@icraindia.com](mailto:subhechha.banerjee@icraindia.com)

**Susmita Biswas**  
+91-033 7150 1182  
[susmita.biswas@icraindia.com](mailto:susmita.biswas@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**  
+022-61693300  
[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**  
Tel: +91 124 4545 860  
[communications@icraindia.com](mailto:communications@icraindia.com)

## Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)  
[info@icraindia.com](mailto:info@icraindia.com)

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## ICRA Limited

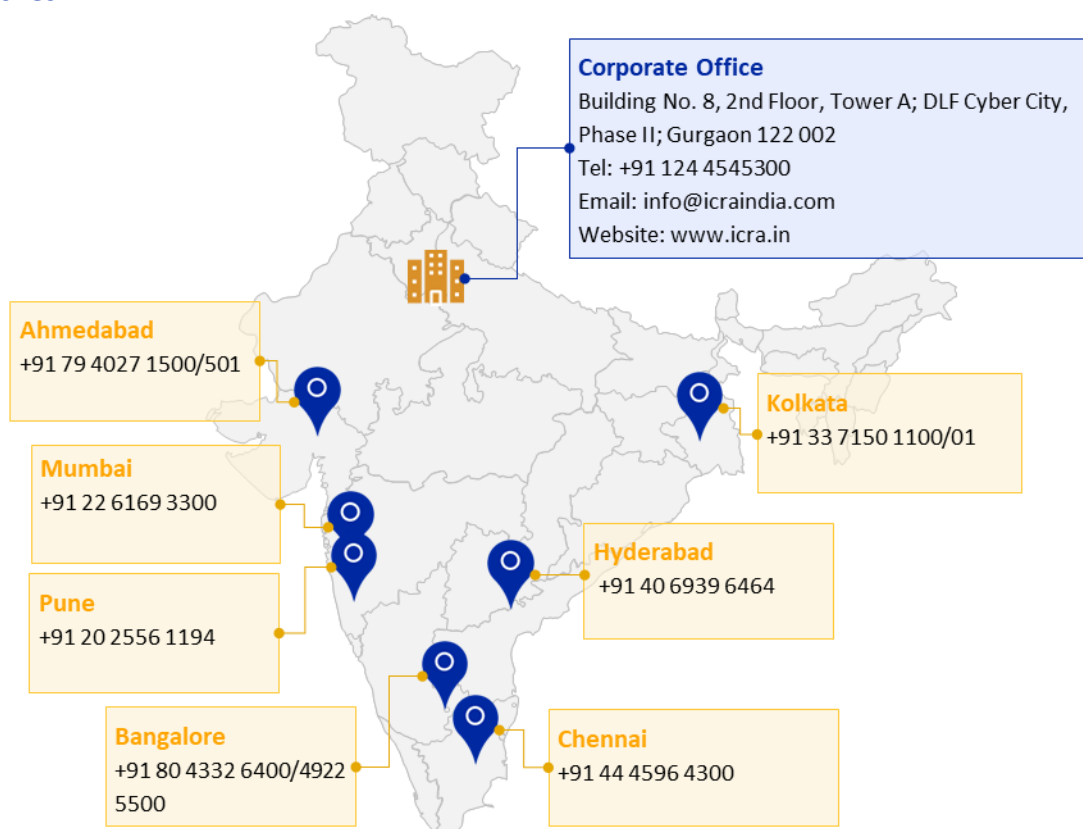


### Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001  
Tel: +91 11 23357940-45



### Branches



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