

December 10, 2024

Mackintosh Burn Limited: Continues to remain under issuer non-cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	40.00	40.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term / Short Term-Unallocated	24.45	24.45	[ICRA]B+(Stable); ISSUER NOT COOPERATING/[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Non Fund Based-Others	100.00	100.00	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	164.45	164.45	

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

[^]Instrument details are provided in Annexure-I

Rationale

ICRA has kept the Long-Term and Short-Term ratings of Mackintosh Burn Limited in the 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]B+(Stable); ISSUER NOT COOPERATING/[ICRA]A4; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Mackintosh Burn 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, Key Financial Indicators: [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	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Construction
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Originally set up as a partnership firm in Kolkata in 1834, Mackintosh Burn Limited (MBL) is one of the oldest construction companies in the country and has been involved in the construction business, primarily of buildings, roads and bridges for 185 years. It has constructed some landmark buildings in Kolkata, including the St. Paul's Cathedral, Nakhoda Masjid, Dakshineswar Temple, National Library, Scottish Church College, Metro Cinema, Statesman House and the Reserve Bank of India building.

MBL was converted to a private limited company in 1913 and subsequently to a deemed public limited company in 1956. It was converted into a public limited company in 2002 and as on date, the Government of West Bengal (GoWB) holds a 51% stake in the company. Most of its directors are representatives of GoWB. The remaining non-controlling stake is held by Sarkar & Chowdhury Enterprises Pvt Ltd (40%), which is part of the Kolkata based MKJ Group (Keventer Group), while the balance is held by employee's cooperative; though, their involvement in day-to-day management is negligible.

In the second half of the twentieth century, the company underwent reconstruction. In 1968 a voluntary winding up petition was filed in the High Court of Kolkata, and employment of about 500 employees was at stake. With the intervention of, and assistance from, the GoWB, a stay of the winding up order was obtained. A reconstruction scheme was taken up in 1971 for revival of the company with financial assistance from the GoWB, Industrial Reconstruction Corporation of India (IRCI), now known as Industrial Investment Bank of India (IIBI) and Allahabad Bank. A reconstruction loan of Rs. 0.28 crore was provided by IRCI, Allahabad bank agreeing to provide need based working capital. Gillander Arbuthnot & Co Ltd, the owner of the company relinquished their holdings in favour of the GoWB to the extent of 25 % and the balance to the then directors of the company, who pledged a part of their holdings to IRCI to secure the reconstruction loan from them. The company was declared a 'Relief Undertaking' by the Government. A team of senior engineers were deputed from the Public Works Department, GoWB, to the company to look after the day-to-day management. The GoWB provided loans from time to time to the tune of Rs. 1.87 crore to finance the working capital requirement due to operating losses. The GoWB also patronised the company by entrusting to it the construction of Bridges, Roads, and Buildings. In 1996, the GoWB increased its shareholdings in the company up to 49% by way of conversion of Rs. 0.10 core out of its outstanding loans into equity. Since 1999, the company has a positive net-worth and has been generating profits.

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)	Date & Rating in		Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022
			Dec 10, 2024	Aug 23, 2024	May 08, 2023	Feb 28, 2023	Dec 31, 2021
1 Cash Credit	Long Term	40.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB (Stable)	[ICRA]BB- (Stable); ISSUER NOT COOPERATING	[ICRA]BBB- (Stable)
2 Unallocated	Long Term/ Short Term	24.45	[ICRA]B+(Stable); ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]BB (Stable)/ [ICRA]A4	-	-
3 Non Fund Based -Others	Short Term	100.00	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A3
4 Unallocated	Long Term	-	-	-	-	[ICRA]BB- (Stable); ISSUER NOT COOPERATING	[ICRA]BBB- (Stable)

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Unallocated	Not Applicable

Non Fund Based-Others

Very Simple

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-I: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	40.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	24.45	[ICRA]B+(Stable); ISSUER NOT COOPERATING/[ICRA]A4; ISSUER NOT COOPERATING
NA	Non Fund Based -Others	-	-	-	100.00	[ICRA]A4; ISSUER NOT COOPERATING

Source: Mackintosh Burn Limited

Please click here to view details of lender-wise facilities rated by ICRA

Annexure-II: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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