

Rating Rationale

Brickwork Ratings assigns 'BWR BB' Rating for the Bank Loan Facilities Marbaniang Projects Pvt Ltd aggregating to ₹ 29.21 Cr

Brickwork Ratings has assigned the following **Ratings¹** to the Bank Loan Facilities of ₹ 29.21 Crs of Marbaniang Projects Pvt Ltd:

Facility	Tenure	Amounts to be Rated (₹ Cr)	Ratings ¹
Fund Based	Long Term	29.21	BWR BB (Pronounced BWR Double B) Outlook: Stable
Total		29.21 (INR Twenty Nine Crores Twenty One Lakhs Only)	

BWR has principally relied upon the audited financial results up to FY15, provisional financial for FY16, projected financials up-to FY18, publicly available information and information/clarification provided by the Company's management.

The ratings have factored, inter alia, reasonable corporate image, tourist attraction due to geographical presence, compliance with all regulatory norms, increased demands in banquet and other conference facility. The ratings are, however, constrained by capital intensive projects, lack of infrastructure in the state, geographical concentration, intense competition in the hotel industry.

Background

Under the Companies Act, 1956, Marbaniang Projects Pvt Ltd was incorporated as a private limited company on 11th March, 2011. The registered office of the company is situated at Spring Side Road, Jingkeing, Nonghthymmai, Shillong, Meghalaya. The project is located at Police Bazar, Shillong, Meghalaya with adequate infrastructure such as mall, food court, hotels with spacious rooms, coffee shop, dining halls, conference rooms, restobar, spa all in one place to attract tourists.

Management Profile

Mr Mayven Taurus Marbaniang has rich experience in construction business and successfully completed various construction projects like construction of building for PWD, construction of village electrification, construction of foundation for terminal equipment, construction of solid waste disposal facility. Mrs Eva DariteeBareh has experience of 12 years in real estate industry.

¹ Please refer to www.brickworkratings.com for definition of the Ratings

Financial Performance

Marbaniang Projects Pvt Ltd's net revenue from operation has decreased from Rs. 2.95 Cr in FY15 to Rs. 2.75 Cr in FY16, However the revenue projected to improve going forward. The Company's debt protection metrics remained at ISCR and DSCR of 1.13 and 0.30 times respectively.

Rating Outlook

The outlook is expected to be stable for the current year. Going forward, the Company's ability to improve revenues and margins, ability to complete occupancy level and sustainability growth in operating profitability will remain the key rating sensitivities.

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