

PRESS RELEASE

Masding Devi Nirman Sewa Private Limited

May 2024

Ratings

Instrument/Facilities	Amount (NPR. Mn)	Ratings	Rating Action
Long Term Bank Facilities – Term Loan	5.33	IRN B	Downgraded from IRN B+ and moved to Issuer not cooperating* category with notice of withdrawal
Short Term Bank Facilities- Fund Based Loan	200.00	IRN A4	Moved to Issuer not cooperating *with notice of withdrawal
Long Term/Short Term Bank Facilities- Non-Funded Facilities	744.67	IRN B/A4	Downgraded from IRN B+/A4 and move to Issuer not cooperating* with notice of withdrawal
Total	950.00		

* Issuer did not cooperate, based on best available information

Infomerics Credit Rating Nepal Limited (Infomerics Nepal) has downgraded the long term rating to IRN B 'INC' (Single B, Issuer Not Cooperating) from IRN B+ (Single B Plus) to the long term bank facilities of NPR 5.33 Mn and reaffirmed the short term rating to IRN A4 'INC' (A Four, Issuer Not Cooperating) to the short term bank facilities of NPR 200.00 Mn and moved to Issuer Not Cooperating category with notice of withdrawal. Similarly, IRN has downgraded the long term/short term rating to IRN B/A4 'INC' (Single B/A Four, Issuer not cooperating) from IRN B+/A4 (Single B Plus/A Four) to long term/short term loan of NPR 744.67 Mn and moved to Issuer Not Cooperating category with notice of withdrawal.

Detailed Rationale

The revision in the rating assigned to the bank facilities of Masding Devi Nirman Sewa Private Limited is because of non-cooperation by the company despite repeated follow ups and lack of adequate information leading to information availability risk and hence uncertainty around its credit risk. Infomerics Nepal assesses whether the information available about the company is commensurate with its rating and reviews the same as per the policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Non-Cooperation by Issuer

Infomerics Nepal has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide E-mail communications dated 2024/01/29, 2024/02/29, 2024/03/11, 2024/04/07 and 2024/04/24 and concurrently over several phone calls. However, despite repeated requests by Infomerics Nepal, the company's management has not submitted all the essential details required for detailed review of the assigned ratings.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBON guidelines, Infomerics Nepal has to assign the rating based on the best available information. Accordingly, the ratings assigned to the bank loan facilities aggregating to NPR 950.00 Mn of Masding Devi Nirman Sewa Private Limited shall be moved to 'ISSUER NOT COOPERATING' category by Infomerics Nepal and the long-term rating/short term rating will be noted as IRN B/A4 'INC'; Based on best available information (Single B/A Four, Issuer Not Co-operating).

Analytical Approach: Standalone

Applicable Criteria:

[Corporate Credit Rating Methodology](#)
[Withdrawal Policy](#)

Past Rating Rationale:

[Masding Devi Nirman Sewa Private Limited: Bank Facilities Ratings Assigned](#)

About the Company:

Masding Devi Nirman Sewa Private Limited (MDNS) is a Class "A" construction company in Nepal which was initially incorporated as a firm on August 29, 1989, and subsequently was converted into a private limited company in 2017. The registered office of the company is located at Madhyapur Thimi, Bhaktapur. The company is promoted by Mr. Himal Gurung and his family, holding 100% of the total share, with considerable experience in the hydropower and construction sectors.

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About Infomerics Credit Rating Nepal Limited:

Infomerics Credit Rating Nepal Ltd. is Nepal's third Credit Rating Agency licensed by the Securities Board of Nepal (SEBON) on March, 2022. Infomerics Nepal is a subsidiary of Infomerics Valuation and Rating Private Limited (Infomerics India) which is a SEBI registered and RBI accredited Credit Rating Agency licensed in 2015. Infomerics Nepal aims to provide investors with objective analysis and evaluation of credit worthiness of Banks, NBFCs, Large Corporates and Small and Medium Scale Units (SMUS) via its rating and grading services. Thus, it is playing a key role in serving the financial markets by reducing the information asymmetry among varied lenders and investors and facilitating borrowers/issuers to various fundraising opportunities/avenues. Infomerics observes and maintains ethical standards in its activities. For more information, visit <https://infomericsnepal.com/>

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facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics Nepal is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.