

February 29, 2024

Mahalaxmi Buildwell Enterprises Private 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	6.40	6.40	[ICRA]B+ (Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Unallocated	3.60	3.60	[ICRA]B+ (Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	10.00	10.00	

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

[^]Instrument details are provided in Annexure-I

Rationale

ICRA has kept the Long-Term rating of Mahalaxmi Buildwell Enterprises Private Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B+ (Stable); ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Mahalaxmi Buildwell Enterprises Private 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	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Rating Methodology - Realty - Commercial/Residential/Retail
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Incorporated in 2010, MBEPL is involved in the development and marketing of real estate and is currently undertaking two residential projects in the heart of Dehradun. MBEPL is an associate concern of Mahalaxmi Buildwell India Private Limited, which has completed projects in Rishikesh and Dehradun. It is currently constructing two projects called 'Lord Krishna Terraces', which has 43 flats and saleable area of 1.26 lakh square feet, and 'Lord Krishna Crest' with 106 flats and 1.58 lakh square feet saleable area. The total project cost for 'Lord Krishna Terraces' is estimated at Rs. 38.60 crore, which is proposed

to be funded through partner's capital/unsecured loans of Rs. 9.22 crore, debt of Rs. 6.40 crore and the remaining through customer advances of Rs. 22.98 crore. The total project cost for 'Lord Krishna Crest' is estimated at Rs. 41.76 crore, which is proposed to be funded through partner's capital/unsecured loans of Rs. 9.00 crore, debt of Rs. 9.00 crore and the remaining through customer advances of Rs. 23.75 crore.

Key financial indicators

	FY2022	FY2023
Operating income	10.5	4.3
PAT	-0.5	0.7
OPBDIT/OI	0.4%	6.7%
PAT/OI	-4.9%	16.9%
Total outside liabilities/Tangible net worth (times)	0.4	0.0
Total debt/OPBDIT (times)	52.2	0.1
Interest coverage (times)	0.1	3.3

Source – MCA Website

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
CARE	[CARE]B- (Stable); ISSUER NOT COOPERATING	January 17, 2023

Any other information: None

Rating history for past three years

Instrument	Type	Current Rating (FY2024)		Chronology of Rating History for the past 3 years			
		Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
				29-Feb-2024	21-Dec-2022	26-Nov-2021	21-Dec-2020
1 Cash Credit	Long Term	6.40	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
2 Unallocated	Long Term	3.60	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[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
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-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	-	-	-	6.40	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	3.60	[ICRA]B+ (Stable); ISSUER NOT COOPERATING

Source: Mahalaxmi Buildwell Enterprises Private Limited

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

ANALYST CONTACTS

Rajeshwar Burla
+91 40 4067 6527
rajeshwar.burla@icraindia.com

Subhechha Banerjee
+91 33 7150 1130
subhechha.banerjee@icraindia.com

Susmita Biswas
+91-033 7150 1182
susmita.biswas@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91-022-61693300
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
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



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