

October 11, 2023

## Macrotech Developers Limited: Change in Limits for Bank Facilities

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term Fund-based – Term loan	400.00	400.00	[ICRA]A+ (Positive); Outstanding
Short Term – Fund Based	0.00	15.00	[ICRA]A1; Outstanding
Long-term/ Short -term – Unallocated Limits	200.00	185.00	[ICRA]A+ (Positive)/ [ICRA]A1; Outstanding
Non-Convertible Debentures	375.00	375.00	[ICRA]A+ (Positive); Outstanding
Non-Convertible Debentures	853.00	853.00	[ICRA]A+ (Positive); Outstanding
<b>Total</b>	<b>1,828.00</b>	<b>1,828.00</b>	

\*Instrument details are provided in Annexure-I

### Rationale

This rationale is being released to convey the change in the lender wise facilities of the rated limits, based on the latest information received from the entity.

The key rating drivers, liquidity position and rating sensitivities for the outstanding ratings for the NCDs and bank facilities is available in the previous detailed rating rationale at the following link: [Click here](#)

### Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">Rating Methodology for Real Estate entities</a>
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the rating, ICRA has consolidated MDL along with its operational subsidiaries, JVs and associate entities on account of the strong business and financial linkages between these entities. As on March 31, 2022, the company had 32 subsidiaries and 20 JVs/ associates/ LLPs, which are all enlisted in Annexure-II.

### About the company

Macrotech Developers Limited, formerly known as Lodha Developers Limited, is one of the largest real estate developers in India with a market leader position in Mumbai and Thane. The company also has the largest land bank in the country, totaling over 4,300 acres as of March 31, 2023 (inclusive of its ongoing as well as planned projects). MDL is focused on residential development in the MMR, with some projects in Pune and Bengaluru. The company was listed on the Bombay Stock Exchange (BSE) on April 16, 2021.

### Key financial indicators (audited)

MDL Consolidated	FY2021	FY2022	FY2023
<b>Operating income</b>	5,449	9,233	9,470
<b>PAT</b>	48	1,208	495 <sup>^</sup>
<b>OPBDIT/OI</b>	22%	24%	22%
<b>PAT/OI</b>	1%	13%	5%
<b>Total outside liabilities/Tangible net worth (times)</b>	7.2	2.2	2.1
<b>Total debt/OPBDIT (times)</b>	15.0	5.3	4.4
<b>Interest coverage (times)</b>	1.1	3.2	4.3

Source: MDL, ICRA Research, all ratios as per ICRA calculations. PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs crore; <sup>^</sup> includes one-time exceptional item i.e., provision against UK investment of Rs. 1,177 crore

### Status of non-cooperation with previous CRA: Not applicable

#### Any other information:

For the NCD of Rs. 245 crores, the company also faces the risk of debt acceleration due to rating linked covenants (in case the rating is downgraded by 2 notches). Upon failure to meet the covenant, if the company is unable to get waivers from the lenders/investors or the lenders/investors do not provide it with adequate time to arrange for alternative funding to pay off the accelerated loans, the rating would face pressure.

### Rating history for past three years

Instrument	Type	Amount rated (Rs. crore)	Amount outstanding as of March 31, 2023 (Rs. crore)	Current rating (FY2024)					Chronology of rating history for the past 3 years			
				Date & rating in FY2024					Date & rating in FY2023		Date & rating in FY2022	Date & rating in FY2021
				Oct 11, 2023	Sep 20, 2023	Jul 11, 2023	Jun 20, 2023	Jun 06, 2023	Dec 12, 2022	Oct 25, 2022	-	-
1	Term loans	400.00	267.8	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	-	-
2	Fund Based	15.00	-	[ICRA]A1	-	-	-	-	-	-	-	-
3	Unallocated Limits	185.00	-	[ICRA]A+ (Positive)/ [ICRA]A1	[ICRA]A+ (Positive)/ [ICRA]A1	[ICRA]A+ (Positive)/ [ICRA]A1	[ICRA]A+ (Positive)/ [ICRA]A1	[ICRA]A+ (Positive)/ [ICRA]A1	-	-	-	-
4	NCD	375.00	368.0*	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A+ (Stable)	-	-	-
5	NCD	50.00**	-	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	-	-	-	-	-
6	NCD	803.00**	-	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	-	-	-	-	-	-

\*Only Rs. 368.0 crore has been placed, \*\* out of NCDs of Rs. 853 crore, Rs. 699 crore have been placed while NCD of Rs. 154 crore are proposed

## Complexity level of the rated instruments

Instrument	Complexity Indicator
Long Term – Fund Based – Term Loan	Simple
Short Term – Fund Based	Simple
Long-term/Short-term – Unallocated Limits	Not applicable
Non-Convertible Debentures	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 are available on ICRA's website: [Click Here](#)

**Annexure I: Instrument details**

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term Loan	FY2023	-	FY2028	400.00	[ICRA]A+ (Positive)
NA	Short Term Loan	-	-	-	9.00	[ICRA]A1
NA	Overdraft	-	-	-	6.00	[ICRA]A1
NA	Unallocated Limits	NA	NA	NA	185.00	[ICRA]A+ (Positive)/ [ICRA]A1
INE670K07174	NCD	FY2023	NA	FY2026	99.0	[ICRA]A+ (Positive)
INE670K07182	NCD	FY2023	NA	FY2026	101.00	[ICRA]A+ (Positive)
INE670K07190	NCD	FY2023	NA	FY2026	100.00	[ICRA]A+ (Positive)
INE670K07208	NCD	FY2023	NA	FY2027	68.00	[ICRA]A+ (Positive)
INE670K08024	NCD	FY2024	NA	FY2027	405.00	[ICRA]A+ (Positive)
INE670K07224	NCD	FY2024	NA	FY2027	245.00	[ICRA]A+ (Positive)
INE670K07216	NCD	FY2024	NA	FY2027	49.00	[ICRA]A+ (Positive)
-	Proposed NCD	NA	NA	NA	7.00	[ICRA]A+ (Positive)
-	Proposed NCD	NA	NA	NA	154.00	[ICRA]A+ (Positive)

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

**Annexure II: List of entities considered for consolidated analysis**

Company Name	MDL Ownership	Consolidation Approach
Macrotech Developers Limited	100% (rated entity)	Full Consolidation
Anantnath Constructions and Farms Pvt. Ltd.	100.00%	Full Consolidation
Apollo Complex Pvt. Ltd.	100.00%	Full Consolidation
Bellissimo Constructions and Developers Pvt. Ltd.	100.00%	Full Consolidation
Bellissimo Digital Infrastructure Development Management Pvt. Ltd.	100.00%	Full Consolidation
Bellissimo Digital Infrastructure Investment Management Pvt. Ltd.	100.00%	Full Consolidation
Bellissimo Estate Pvt. Ltd.	100.00%	Full Consolidation
Brickmart Constructions And Developers Pvt. Ltd.	100.00%	Full Consolidation
Center for Urban Innovation	100.00%	Full Consolidation
Cowtown Infotech Services Pvt. Ltd.	100.00%	Full Consolidation
Cowtown Software Design Pvt. Ltd.	100.00%	Full Consolidation
Digirealty Technologies Pvt. Ltd.	100.00%	Full Consolidation
Homescapes Constructions Pvt. Ltd.	100.00%	Full Consolidation
Kora Constructions Pvt. Ltd.	100.00%	Full Consolidation
Lodha Developers International (Netherlands) B. V	100.00%	Full Consolidation
Lodha Developers International Ltd.	100.00%	Full Consolidation
Lodha Developers U.S. Inc.	100.00%	Full Consolidation
Luxuria Complex Pvt. Ltd.	100.00%	Full Consolidation

Company Name	MDL Ownership	Consolidation Approach
MMR Social Housing Pvt. Ltd.	100.00%	Full Consolidation
National Standard (India) Ltd.	73.94%	Full Consolidation
Odeon Theatres and Properties Pvt. Ltd.	100.00%	Full Consolidation
One Place Commercials Pvt. Ltd.	100.00%	Full Consolidation
Palava City Management Pvt. Ltd.	100.00%	Full Consolidation
Palava Induslogic 4 Pvt. Ltd	100.00%	Full Consolidation
Palava Industrial and Logistics Park Pvt. Ltd.	100.00%	Full Consolidation
Palava Institute of Advanced Skill Training	100.00%	Full Consolidation
Primebuild Developers and Farms Pvt. Ltd	100.00%	Full Consolidation
Renover Green Consultants Pvt. Ltd.	100.00%	Full Consolidation
Roselabs Finance Ltd.	74.25%	Full Consolidation
Sanathnagar Enterprises Ltd.	72.70%	Full Consolidation
Simtools Pvt. Ltd.	49.85%	Full Consolidation
Sitaldas Estate Pvt. Ltd.	100.00%	Full Consolidation
Thane Commercial Tower A Management Private Limited	100.00%	Full Consolidation
Kora Constructions Pvt. Ltd. (upto November 21, 2021)	-	Equity Method
Altamount Road Property Private Limited	49.00%	Equity Method
Lodha Developers UK Ltd. & its subsidiaries	51.00%	Equity Method
Palava Induslogic 2 Pvt. Ltd	100.00%	Equity Method
Palava Induslogic 3 Pvt. Ltd.	100.00%	Equity Method
Bellissimo Buildtech LLP	100.00%	Equity Method

Source: MDL annual report FY2023

## ANALYST CONTACTS

**Rajeshwar Burla**  
+91 40 4547 4829  
[rajeshwar.burla@icraindia.com](mailto:rajeshwar.burla@icraindia.com)

**Anupama Reddy**  
+91 40 4547 4829  
[anupama.reddy@icraindia.com](mailto:anupama.reddy@icraindia.com)

**Tushar Bharambe**  
+91 22 6169 3347  
[tushar.bharambe@icraindia.com](mailto:tushar.bharambe@icraindia.com)

**Chintan Chheda**  
+91 22 6169 3363  
[chintan.chheda@icraindia.com](mailto:chintan.chheda@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**  
+91 22 6114 3406  
[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)

## 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](http://www.icra.in)

## ICRA Limited



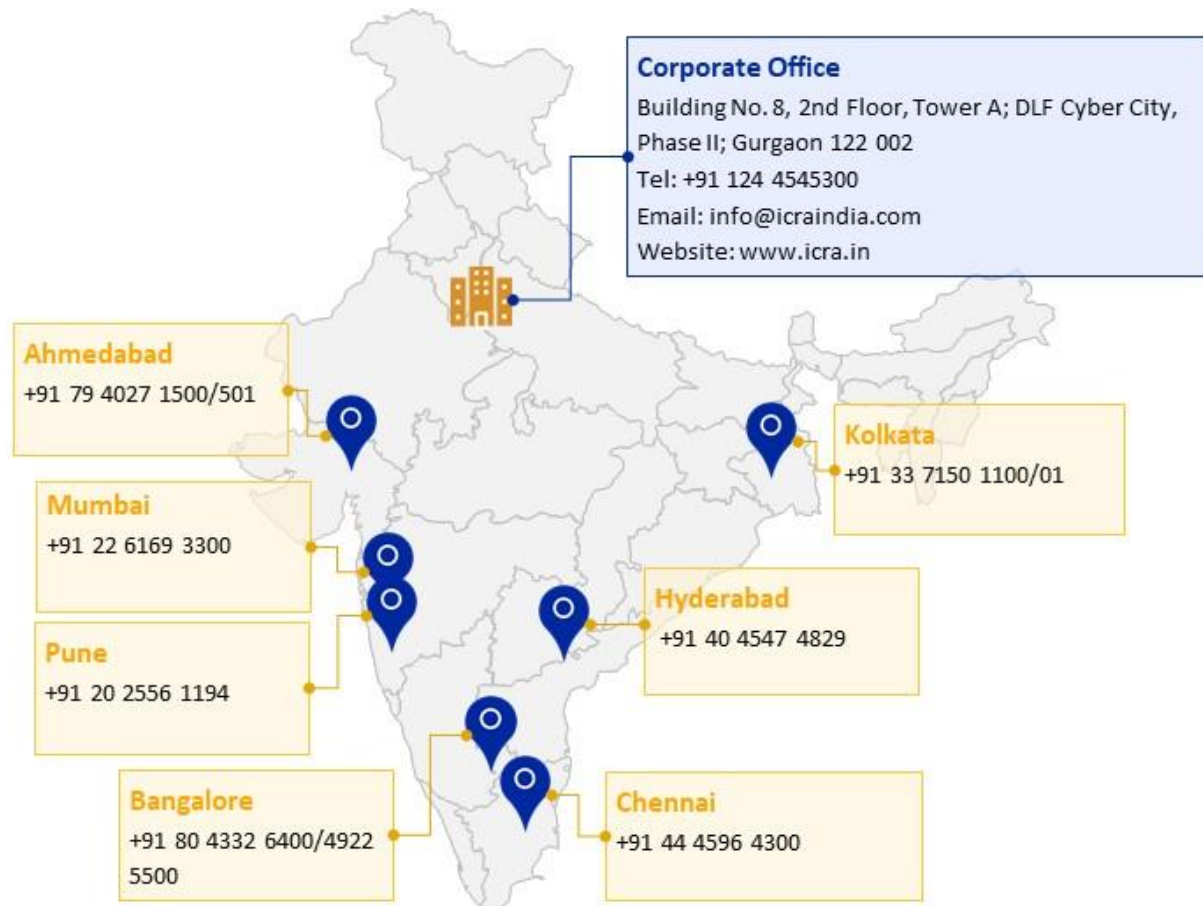
### Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



### Branches



© Copyright, 2023 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website [www.icra.in](http://www.icra.in) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.