

September 06, 2024

Matrix Enclaves Projects Developments Private Limited: Rating moved to Issuer Non Cooperating Category; rating downgraded based on best available information

Summary of rating action

| Instrument [^] | Previous Rated Amount (Rs. crore) | Current Rated Amount (Rs. crore) | Rating Action |
|----------------------------------|--------------------------------------|-------------------------------------|--|
| Long-term Fund-based – Term loan | 50.00 | 50.00 | [ICRA]B+(Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB(Stable) and moved to “ISSUER NOT COOPERATING” category |
| Total | 50.00 | 50.00 | |

[^]Instrument details are provided in Annexure-I

*Issuer did not cooperate; based on best available information

Rationale

ICRA has downgraded and moved the ratings for the bank facilities of Matrix Enclaves Projects Developments Private Limited (MEPDPL) to the ‘Issuer Not Cooperating’ category. The rating is denoted as “[ICRA]B+(Stable); ISSUER NOT COOPERATING”.

The rating downgrade is because of lack of updated information on the MEPDPL’s performance since the time it was last rated in June-2023 and non-receipt of NDS for the past 3 consecutive months of June 2024, July 2024 and August 2024. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating does not adequately reflect the credit risk profile of the entity. The entity’s credit profile may have changed since the time it was last reviewed by ICRA; however, in the absence of requisite information, ICRA is unable to take a definitive rating action.

As part of its process and in accordance with its rating agreement with MEPDPL, ICRA has been trying to seek information from the entity so as to monitor its performance. Despite repeated 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 moved 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 the 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 | Corporate Credit Rating Methodology Realty - Commercial/Residential/Retail Policy In Respect of Non-Cooperation By A Rated Entity |
| Parent/Group support | Not applicable |
| Consolidation/Standalone | Standalone |

About the company

Matrix Enclaves Projects Developments Private Limited (MEPDPL) was incorporated in 2007. The promoters, the MMR-based Marathon Group, Mr. Mayur Ramniklal Shah and his nephew Mr. Kaivalya Chetan Shah, hold a 50% stake each in MEPDPL. The company owns ~100 acres of land in Dombivali (E), where a mega township (Marathon Nexworld) is being developed. Till date, the Marathon Group has launched three towers in the township, of which two are being developed by MEPDPL.

Key financial indicators (audited)

| MEPDPL | FY2022 | FY2023 |
|--|--------|--------|
| Operating income | 44.5 | 50.9 |
| PAT | 0.3 | -4.7 |
| OPBDIT/OI | -5.3% | -14.8% |
| PAT/OI | 0.6% | -9.3% |
| Total outside liabilities/Tangible net worth (times) | 23.4 | 39.9 |
| Total debt/OPBDIT (times) | -81.8 | -31.2 |
| Interest coverage (times) | - 38.5 | - |

Source: Company; ICRA Research; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation;

Amount in Rs crore

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

| Sl. No. | Instrument | Current Rating (FY2025) | | | Chronology of Rating History for the Past 3 Years | | |
|---------|------------|-------------------------|--------------------------|--|---|-------------------------|-------------------------|
| | | Type | Amount Rated (Rs. crore) | Date & Rating in FY2025 | Date & Rating in FY2024 | Date & Rating in FY2023 | Date & Rating in FY2022 |
| | | | | September 06, 2024 | June 09, 2023 | - | - |
| 1 | Term loans | Long term | 50.0 | [ICRA]B+(Stable); ISSUER NOT COOPERATING | [ICRA]BB (Stable) | - | - |

Complexity level of the rated instrument

| Instrument | Complexity Indicator |
|----------------------------------|----------------------|
| Long-term fund-based – Term Loan | 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 / Sanction | Coupon Rate | Maturity Date | Amount Rated (Rs. crore) | Current Rating and Outlook |
|------|-----------------|-----------------------------|-------------|---------------|--------------------------|---|
| NA | Term Loan | FY2021 | NA | FY2025 | 50.0 | [ICRA]B+ (Stable); ISSUER NOT COOPERATING |

Source: Company

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:

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Branches



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