

December 23, 2025

Manglam Build-Developers Ltd: Rating reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term – Fund-based – Term Loan	127.65	130.98	[ICRA]BBB+ (Stable); reaffirmed
Long-term Unallocated	22.35	19.02	[ICRA]BBB+ (Stable); reaffirmed
Total	150.00	150.00	

*Instrument details are provided in Annexure I

Rationale

The rating reaffirmation for bank facilities of Manglam Build-Developers Ltd (MBDL) factors in the Manglam Group's¹ strong brand positioning in Jaipur (Rajasthan), demonstrated project execution capabilities along with a healthy launch pipeline and adequate sales velocity for its projects supporting in an expected improvement in the sales. Manglam Group has an established track record of more than three decades in the real estate industry in Rajasthan and has delivered more than 75 projects admeasuring more than 60 million square feet (msf) of residential/ commercial/plotted projects in various cities of Rajasthan. The Group's sales are estimated to grow by 61-65% (previous year [PY]: Rs. 565 crore) and collections by 19-22% (PY: Rs. 540 crore) in FY2026, supported by adequate sales velocity for its ongoing and upcoming projects and construction progress. Consequently, the cash flow from operations is expected to improve by 32-34% in FY2026. The Group is currently executing eight projects with a total saleable area of around 8.1 msf, of which around 47% area has been sold. The cash flow adequacy ratio remains adequate at 68% with committed receivables of Rs. 470 crores against the pending cost and debt outstanding of Rs 693 crores as of March 2025.

The rating strengths are however offset by the moderation in leverage metrics, with by gross debt/cashflow from operations (CFO) increasing to 3.8 times as of March 2025 (1.8 times as of March 2024) and is estimated to be in the range of 3.4-3.8 times as of March 2026 with likely higher debt levels of Rs. 650-670 crore (PY: Rs. 557 crore). The increase in debt is mainly towards land investments and to part fund the construction in its ongoing projects. Moreover, the credit profile remains exposed to the market and execution risks both for the ongoing as well as upcoming projects. The Group has total 53% of pending unsold area in its ongoing projects and 24% of the cost is yet to be incurred as of March 2025. The market risk is underpinned by the unsold inventory in the completed projects, which is around 3.1 msf, where the sales velocity has been relatively slow. It is also exposed to the geographical concentration risk, as the ongoing and upcoming projects are mostly located in and around Jaipur, increasing the dependence on a single micromarket for sales and revenue. ICRA notes that the Group has entered the Mumbai Metropolitan Region (MMR) market with a redevelopment project of saleable area of 0.2 lakh square feet (lsf) in Borivali and launched it for sale in December 2025. Moreover, being a cyclical industry, the real estate business is highly dependent on macro-economic factors, which exposes the company's sales to any downturn in demand and competition within the region from various other developers.

The Stable outlook on MBDL's rating reflects ICRA's expectation that the Group will benefit from adequate collections from its ongoing projects as well as new launches resulting in an improvement in cash flow from operations.

¹ Manglam Group – Consolidation of MBDL along with its subsidiaries and associate concerns given the close operational and managerial linkages between them.

Key rating drivers and their description

Credit strengths

Expected improvement in sales and collections in FY2026 – The Group is currently executing eight projects with a total saleable area of around 8.1 msf, of which around 47% area has been sold. The Group's sales are estimated to grow by 61%-65% (PY: Rs. 565 crore) and collections by 19%-22% (PY: Rs. 540 crore) in FY2026, supported by adequate sales velocity for its ongoing and upcoming projects and construction progress. Consequently, the cash flow from operations is expected to improve by 32-34% in FY2026.

Adequate cash flow adequacy ratio – The cash flow adequacy ratio remains adequate at 68% as of March 2025 on the back of healthy sales leading to high committed receivables of Rs. 470 crores against the pending cost and debt outstanding of Rs 693 crores.

Long and established track record of the Group in real estate business in Rajasthan – The Group enjoys an established position and strong brand name in Rajasthan, particularly in Jaipur, with a diversified asset portfolio. Manglam Build Developers Pvt Ltd (MBDL) has a track record of over 30 years in the real estate sector, in Rajasthan. The Group is currently developing 13 projects including residential, commercial and plotting projects. The Group also comprises multiple completed projects across residential, commercial and plotted segments. It has a strong in-house project execution capability, as demonstrated through completion of more than 60 msf of area.

Credit challenges

Exposure to market, execution and geographical risks – The Group is exposed to market risk both for the ongoing as well as upcoming projects with 53% of the total pending unsold area in its ongoing projects, along with the execution risk for its projects as 24% of the cost is yet to be incurred as of March 2025. The market risk is further increased from the unsold inventory in the completed projects, which is around 3.1 msf as of March 2025, where the sales velocity has been relatively slow. Further, the group is exposed to the geographical concentration risk, as the ongoing and upcoming projects are mostly located in and around Jaipur, increasing the dependence on a single micromarket for sales and revenue.

Increase in debt levels – The leverage as measured by Gross debt/CFO has increased to 3.8 times as of March 2025 (1.8 times as of March 2024) and is estimated to be in the range of 3.4-3.8 times as of March 2026 with likely higher debt levels of Rs. 650-670 crore (PY: Rs. 557 crore). The increase in debt is majorly towards land investments and to part fund the construction in its ongoing projects.

Exposure to cyclicity in real-estate business – The residential real estate sector, being cyclical in nature is highly dependent on macro-economic factors, which exposes the company's sales to any downturn in demand and competition within the region from various other developers.

Liquidity position: Adequate

The Group's liquidity position remains adequate, supported by committed receivables of Rs. 470 crore and unencumbered cash and bank balances of Rs. 37 crore as of March 2025. Further, the Group has principal debt repayment obligations of around Rs. 134 crores in FY2026 and Rs 132 crores in FY2027, which is likely to be sufficiently met through the expected cash flow from operations.

Rating sensitivities

Positive factor – ICRA could upgrade the rating in case there is a significant and sustainable improvement in the company's scale, cash flow from operations and liquidity position along with improvement in leverage.

Negative factor – The rating could be downgraded if there is a significant decline in collections, slippages in project execution or significant increase in indebtedness, which deteriorates the liquidity and leverage position on a prolonged basis. Specific trigger that could result in a rating downgrade include Gross Debt/CFO remaining higher than 4.0 times on a consistent basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Realty – Commercial/Retail/Residential Realty – Lease Rental Discounting (LRD)
Parent/Group support	Not applicable
Consolidation/Standalone	Consolidation, the rating is based on the consolidated financials of MBDL along with its subsidiaries and associate concerns given the close operational and managerial linkages among them. Corporate guarantee has been extended by MBDL to loans availed by Signature Elite Developers, Saville Hospital and Research Centre Private Limited and Nimrana Developers.

About the company

MBDL, incorporated on April 1, 2008, is promoted by Mr. N.K. Gupta, having experience of more than three decades in the real estate industry. The group has been operating in Rajasthan for more than 20 years and has gained extensive experience in the real estate industry. The Group has delivered more than 80 projects admeasuring more than 60 msf of residential/commercial/plotted projects in various cities of Rajasthan and is currently executing eight projects with a total saleable area of around 8.1 msf.

Key financial indicators (audited)

Company name (consolidated)	FY2024	FY2025
Operating income	411.9	415.4
PAT	18.9	64.1
OPBDIT/OI	12.2%	26.8%
PAT/OI	4.6%	15.4%
Total outside liabilities/Tangible net worth (times)	1.2	1.6
Total debt/OPBDIT (times)	8.1	5.0
Interest coverage (times)	1.4	2.2

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

ICRA has combined the financials of Signature Elite Developers, NKG Buildcon Private Limited, Manglamplus Reality Private Limited, Saville Hospital and Research Centre Private Limited and Manglam Build-Developers Limited.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current rating (FY2026)			Chronology of rating history for the past 3 years						
			FY2025		FY2024		FY2023		
Instrument	Type	Amount rated (Rs. crore)	Dec 23, 2025	Date	Rating	Date	Rating	Date	Rating
Long term-fund based - Term loan	Long term	130.98	[ICRA]BBB+ (Stable)	Oct 01, 2024	[ICRA]BBB+ (Stable)	Aug 16, 2023	[ICRA]BBB (Stable)	May 09, 2022	[ICRA]BBB (Stable)
Fund-Based	Long term	-	-	-	-	-	-	May 09, 2022	[ICRA]BBB (Stable)
Long-term - Unallocated	Long term	19.02	[ICRA]BBB+ (Stable)	Oct 01, 2024	[ICRA]BBB+ (Stable)	Aug 16, 2023	[ICRA]BBB (Stable)	May 09, 2022	[ICRA]BBB (Stable)

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term fund based – Term loan	Simple
Long-term - Unallocated	NA

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
-	Fund-based Term loan	FY2020	-	FY2029	130.98	[ICRA]BBB+ (Stable)
-	Long-term Unallocated	-	-	-	19.02	[ICRA]BBB+ (Stable)

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	MBDL ownership	Consolidation approach
Manglam Build-Developers Ltd (Flagship company of Manglam Group)	-	Full Consolidation
Nimrana Developers	60.00%	Full Consolidation
Rangoli Developers	67.00%	Full Consolidation
Dhanshree Developers	80.00%	Full Consolidation
Manglamhome Construction LLP	5.00%	Equity Method
Signature Elite Developers	-	Equity Method
Saville Hospital and Research Centre Private Limited	-	Equity Method
NKG Buildcon Pvt Ltd	-	Equity Method
Woodland Park Buildcon LLP	-	Equity Method
Manglamplus Reality Private Limited	-	Equity Method
Manglam & Karnani Venture LLP	-	Equity Method
Manglam Ornaments Pvt Ltd	68.35%	Full Consolidation
Shivver Colonizer Pvt Ltd	80.00%	Full Consolidation
Manglam Monga	99.00%	Full Consolidation
Manglam Land Bank	62.00%	Full Consolidation
Fairmount Developers Pvt Ltd	49.37%	Full Consolidation
Shree Tirupati Developers	35.00%	Equity Method
Vista Housing	37.50%	Equity Method

Source: Company; ICRA Research

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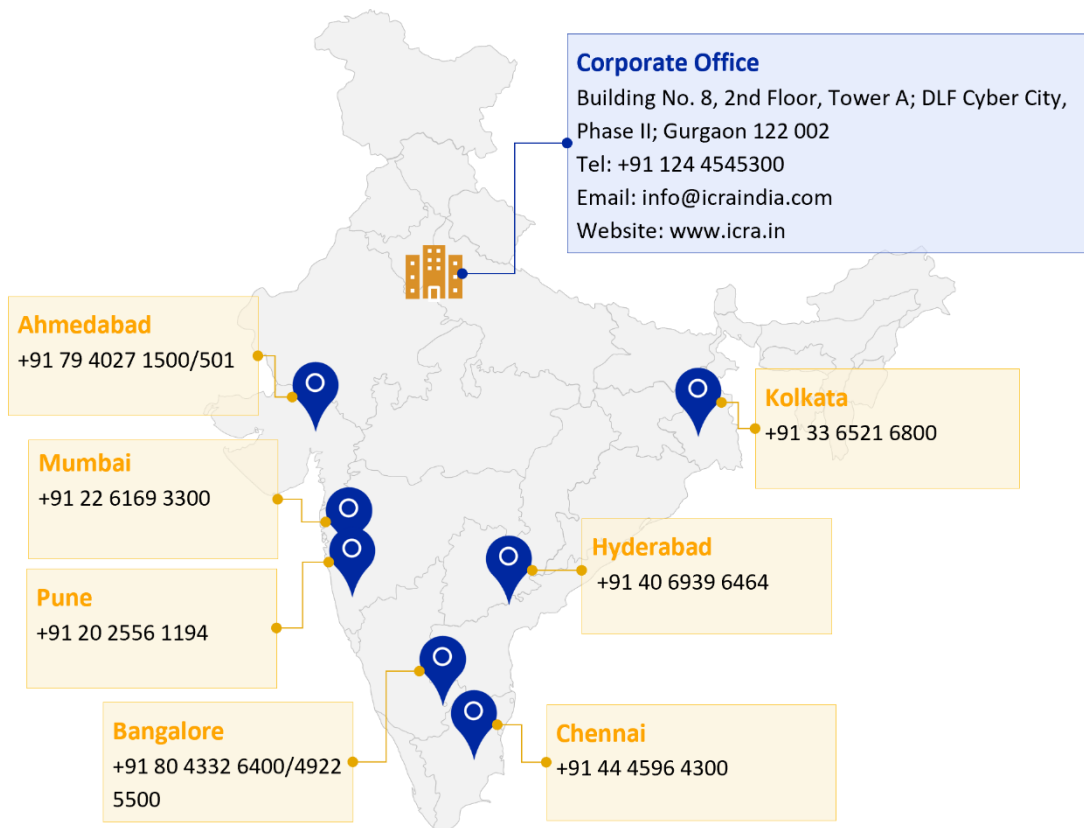
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