September 09, 2026

Mantra Properties and Developers Pvt Ltd: Rating reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial Sector Regulator#
Issuer Rating	-	-	[ICRA]BBB(Stable); reaffirmed	-$
Total	-	-		

**Instrument details are provided in Annexure I*

#SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

$"Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed."

Rationale

The rating reaffirmation for Mantra Properties and Developers Pvt. Ltd. (MPDPL) factors in the expected improvement in the Group's collections over FY2027 - FY2028, supported by healthy sales momentum across its ongoing projects, a strong launch pipeline, and steady construction progress. The ratings also take comfort from the expectation that the Group will maintain a comfortable leverage profile despite its growth plans. The Group is currently developing six residential projects with a total development potential of ~3.5 million square feet (msf), of which around 69% of the launched area has been sold as of March 2026; it also has a launch pipeline of 2.8 msf over the medium-term providing cash flow visibility. The Group's collections are estimated to grow by about 13-15% to around Rs. 900.0 - 1,000.0 crores in FY2027 (PY: Rs. 827.0 crores) and further by about 24-27% in FY2028. The cash flow adequacy ratio[1] for the group remains healthy at 91%, supported by healthy committed receivables of Rs. 1,005.0 crores as against pending cost and debt outstanding of around Rs. 1,100.0 crores as of March 2026. The debt protection metrics are likely to remain adequate, with leverage as measured by total external debt/cash from operations (CFO) estimated to be in the range of 3.5 - 3.8 times as of March 2027 (PY: 1.9 times). The rating continues to factor in the established track record of two decades of the Mantra Group in the Pune real estate market; the Group has delivered more than 29 residential real estate projects till date with a developed area of more than 8.5 msf.

The rating is, however, constrained by the execution and market risks arising for both the ongoing as well as upcoming projects. The Group has around 31% of pending unsold area in its ongoing projects and 51% of the cost is yet to be incurred as of March 2026. Going forward, the healthy sales and collections momentum would be critical for improving the operational cashflow generation. The group is also exposed to the geographical concentration risk, as the ongoing and upcoming projects are mostly located in and around Pune, increasing the dependence on a single micro market for sales and revenue. However, ICRA notes that the Group has entered the Mumbai Metropolitan Region (MMR) market with society redevelopment and greenfield projects, which are expected to be launched in another 6-12 months, thus helping reduce the geographical risk to an extent. Moreover, being a cyclical industry, the real estate sector 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 the long-term rating reflects an expectation that the Group will achieve healthy sales velocity in its ongoing and newly launched projects, leading to improvement in collections while maintaining comfortable leverage metrics.

[1] *Cash flow adequacy = Committed receivables/(Pending cost + debt outstanding)*

Key rating drivers and their description

Credit strengths

Expected improvement in collections; comfortable leverage metrics – The Group is currently developing 6 residential projects with a total development potential of ~3.5 msf, of which around 69% of the launched area has been sold as of March 2026; it also has a launch pipeline of 2.8 msf over the medium-term providing cash flow visibility. The Group's collections are estimated to grow by about 13-15% to around Rs. 900.0 - 1,000.0 crores in FY2027 (PY: Rs 827.0 crores) and further by about 24-27% in FY2028. The cash flow adequacy ratio for the group remains healthy at 91%, supported by healthy committed receivables of Rs. 1,005.0 crores as against pending cost and debt outstanding of around Rs. 1,100.0 crores as of March 2026. The debt protection metrics are likely to remain adequate, with leverage as measured by total external debt/cash from operations (CFO) estimated to be in the range of 3.5 - 3.8 times as of March 2027 (PY: 1.9 times).

Healthy cashflow adequacy ratio - The cash flow adequacy ratio for the group remains healthy at 91% supported by healthy committed receivables of Rs. 1005.0 crores as against pending cost and debt outstanding of around Rs. 1100.0 crores as of March 2026.

Established track record of Mantra Group in Pune real estate market – The Mantra Group has been in real estate market since 2006 with around 29 residential real estate projects delivered till date with a developed area of around ~8.5 msf. It is currently developing six residential projects with a total development potential of 3.5 msf. The Group has demonstrated healthy saleability in its ongoing projects. While in the past, the Group was focused on the affordable housing projects at the outskirts of the city, the projects launched over the last five years are more city centric and in mid and luxury segment.

Credit challenges

Exposure to execution and funding risks – The group is exposed to the execution, market and funding risks arising both for the ongoing as well as upcoming projects. The group currently has 6 ongoing projects with majority of pending cost attributable towards newly launched projects being Midas, Melange and Mayfair projects. The Group has total 31% of pending unsold area in its ongoing projects and 51% of the cost is yet to be incurred as of March 2026. Going forward, the healthy sales and collections momentum would be critical for improving the operational cashflow generation.

High geographical concentration risks – The Group's portfolio is also exposed to high geographical concentration risk as all the projects are in the Pune city targeting residential buyers. ICRA notes that the Group has entered the MMR market with society redevelopment and greenfield projects which are expected to be launched in another 6-12 months, thus expanding to new geographies and reducing the geographical risk to an extent.

Exposed to cyclicality in real estate business – Being a cyclical industry, the real estate sector 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

MPDPL's liquidity position is adequate, supported by unencumbered cash and bank balances of Rs. 173.0 crores as of March 2026 and undrawn bank lines aggregating to around Rs. 178.0 crores as of March 2026. The group has healthy committed receivables of Rs 1,005.0 crore as of March 2026. Further, the group has expected debt repayment obligations to the tune of Rs. 267.0 crores in FY2027 and Rs. 291.0 crores in FY2028 which are expected to be adequately met from its cash flow from operations.

Rating sensitivities

Positive factors – ICRA could upgrade the rating if there is a sustained healthy improvement in sales and collections in the ongoing and upcoming projects resulting in a material increase cashflow from operations while maintaining comfortable leverage and debt coverage metrics.

Negative factors – Negative pressure on MPDPL's rating could arise if there is sustained material reduction in sales and collections or significant debt-funded growth plans adversely impacting the leverage position or weakening the liquidity profile of the company. Further, reduction in cash flow adequacy ratio below 40% on a consistent basis will be a negative trigger.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate credit rating methodology Realty - Commercial/Residential/Retail
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has taken consolidated financials of MPDPL along with its subsidiaries, as these entities are involved in real estate operations and has close business, financial and managerial linkages along with a common treasury team.

About the company

Incorporated in 2013, Mantra Properties and Developers Pvt Ltd (MPDPL) is the holding company of the Mantra Group's real estate business. The Pune-based Group, founded by the Late Mr. Puranchand Kishorilal Gupta, has diversified business interests. The Group ventured into real estate in 2006 and has delivered 29 residential real estate projects till date with an area of around 8.5 msf. At present, the Group is undertaking 6 residential projects in Pune, with a total development potential of 3.5 msf.

Key financial indicators (audited)

MPDPL- Consolidated	FY2024	FY2025
Operating income	731.6	686.2
PAT	62.1	-18.5
OPBDIT/OI	12.4%	3.8%
PAT/OI	8.5%	-2.7%
Total outside liabilities/Tangible net worth (times)	7.5	8.7
Total debt/OPBDIT (times)	9.4	39.2
Interest coverage (times)	4.8	0.6

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

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Current (FY2027)			Chronology of rating history for the past 3 years					
				FY2026		FY2025		FY2024	
Instrument	Type	Amount rated (Rs. crore)	Sep 09, 2026	Date	Rating	Date	Rating	Date	Rating
Issuer Rating	Long term	-	[ICRA]BBB (Stable)	June 24, 2025	[ICRA]BBB (Stable)	-	-	March 05, 2024	[ICRA]BBB (Positive)

Complexity level of the rated instruments

Instrument	Complexity indicator
Issuer Rating	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 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	Financial Sector Regulator#
NA	**Issuer Rating**	-	-	-	-	[ICRA]BBB (Stable)	-$

Source: Company

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Annexure II: List of entities considered for consolidated analysis

Company Name	MPDPL Ownership	Consolidation Approach
Mantra Sky Castle Private Limited	99%	Full Consolidation
Mantra Residencies Mundhwa Private Limited	99%	Full Consolidation
Selenite Housing Private Limited	99%	Full Consolidation
Srrinivas Infrabuildtech Pvt Ltd	99%	Full Consolidation
Mantra Kingdom Pvt Ltd	99%	Full Consolidation
A Plus Design House LLP	99%	Full Consolidation
A to Z Utility Services LLp	99%	Full Consolidation
Mantra 29 Goald Coast Developer LLp	33%	Full Consolidation

Company Name	MPDPL Ownership	Consolidation Approach
Mantra Builders LLP	99%	Full Consolidation
Mantra Mansion LLP	99%	Full Consolidation
Mantra Buildcity LLP	99%	Full Consolidation
Mantra Buildcrafts Private Limited	99%	Full Consolidation
Mantra Development LLP	99%	Full Consolidation
Mantra Earth LLP	99%	Full Consolidation
Mantra Erectors and Builders LLP	99%	Full Consolidation
Mantra Greens Private Limited	99%	Full Consolidation
Mantra Huizen LLP	99%	Full Consolidation
Mantra Infradevelopers LLP	99%	Full Consolidation
Mantra Infra-edge County LLP	99%	Full Consolidation
Mantra Infrahome LLP	99%	Full Consolidation
Mantra Insignia LLP	99%	Full Consolidation
Mantra Island Homes Chimbli Private Limited	99%	Full Consolidation
Mantra Island Homes Talegaon LLP	99%	Full Consolidation
Mantra praediis LLP	99%	Full Consolidation
Mantra Residencies Private Limited	84%	Full Consolidation
S2S Buildcity LLp	99%	Full Consolidation
Mantra Kothrud Ventures LLP	99%	Full Consolidation
Mantra Properties	99%	Full Consolidation
Mantra Zicronia Private Limited	99%	Full Consolidation
Mantra Shelton	99%	Full Consolidation
Mantra Universe	99%	Full Consolidation
Mantra Estate	50%	Full Consolidation
Grand Edifice	99%	Full Consolidation
Mantra Heaven	99%	Full Consolidation
Mantra Realtors	99%	Full Consolidation
Samarth Developers	99%	Full Consolidation
Mantra Homes	99%	Full Consolidation
Mantra Spaces	99%	Full Consolidation
Mantra Praediis Phase I	99%	Full Consolidation
Mantra Praediis Phase II	99%	Full Consolidation
Mantra Praediis Phase III	99%	Full Consolidation
Mantra Praediis Phase IV	99%	Full Consolidation
Mantra Praediis Phase V	99%	Full Consolidation
Mantra Praediis Phase VI	99%	Full Consolidation
Mantra Praediis Phase VII	99%	Full Consolidation
Mantra Praediis Phase VIII	99%	Full Consolidation
Mantra Praediis Phase IX	99%	Full Consolidation
Mantra Praediis Phase X	99%	Full Consolidation

Company Name	MPDPL Ownership	Consolidation Approach
Mantra City	99%	Full Consolidation
Mantra Creation	99%	Full Consolidation
Mantra Development	99%	Full Consolidation
Mantra Meadows	99%	Full Consolidation
Mantra Ocean	99%	Full Consolidation
Majestique Constructions	50%	Full Consolidation
Majestique Properties	50%	Full Consolidation
Majestique Mantra Ventures	50%	Full Consolidation
Mantra Magic Developers	80%	Full Consolidation
Mantra Universe Private Limited	99%	Full Consolidation
Regency Mahavir Associates	99.99%	Full Consolidation
Mantra Residences Erika Private Limited	99%	Full Consolidation
Mantra Landmarks Private Limited	99%	Full Consolidation
Speciality Landmarks Private Limited	99%	Full Consolidation
Selenite Properties Private Limited	98%	Full Consolidation
Mantra Zirconia Private Limited	99%	Full Consolidation
Envirant Developers Private Limited	99%	Full Consolidation

Source: Annual report; ICRA Research

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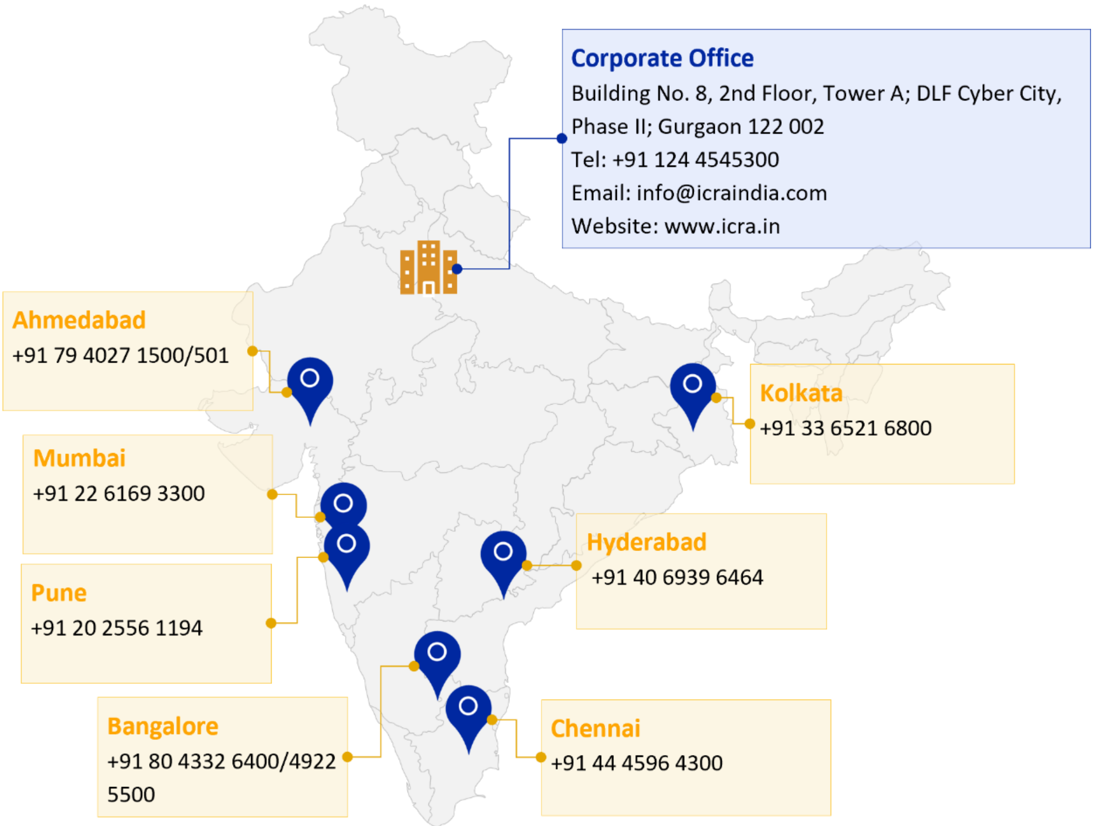

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