

Mahalaxmi Buildwell Enterprises Private Limited

January 17, 2023

Ratings

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	7.00	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable; (Single B; Outlook: Stable)

Details of instruments/facilities in Annexure-1

*Issuer did not cooperate; Based on best available information

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated November 08, 2021, placed the rating(s) of Mahalaxmi Buildwell Enterprises Private Limited (MBEPL) under the 'issuer non-cooperating' category as MBEPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. MBEPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated September 24, 2022, October 04, 2022, October 15, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings assigned to bank facilities of MBEPL have been revised on account of non-availability of requisite information. The rating revision also considers the decline in scale of operation and continuing net loss in FY22.

Detailed description of the key rating drivers

Please refer to PR dated [November 08, 2021](#)

Analytical approach: Standalone

Applicable criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on Default Recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

Dehradun-based (Uttarakhand) Mahalaxmi Buildwell Enterprises Private Limited (MBEPL) was incorporated in October 2010 by Sharma and Maheshwari family for undertaking construction of residential projects in and around Dehradun. Company operations are managed by Mrs Jagrati Sharma (wife of Mr Ajay Sharma) and Mrs Priya Maheshwari (wife of Mr Ravi Maheshwari).

Brief Financials (₹ crore)	FY21(A)	FY22(A)	9MFY23(Prov.)
Total operating income	12.79	10.53	NA
PBILDT	0.42	0.05	NA
PAT	-0.71	-0.52	NA
Overall gearing (times)	1.05	0.30	NA
Interest coverage (times)	0.31	0.07	NA

A - Audited, Prov.- Provisional, NA – Not Available.

Status of non-cooperation with previous CRA: ICRA has continued the ratings assigned to the bank facilities of MBEPL into 'Issuer not-cooperating' category vide press release dated December 21, 2022 on account of non-availability of requisite information from the company.

¹ Complete definition of the ratings assigned are available at www.careedge.in and other CARE publications

Any other information: Not Available

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Please refer Annexure-4

Lender details: Please refer Annexure-5

Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Proposed fund-based limits	-	-	-	-	0.60	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Working capital Term Loan	-	-	-	March 2019	6.40	CARE B-; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument /Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Working capital Term Loan	LT	6.40	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (08-Nov-21)	1)CARE B; Stable; ISSUER NOT COOPERATING* (14-Oct-20)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (26-Sep-19)
2	Fund-based - LT-Proposed fund based limits	LT	0.60	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (08-Nov-21)	1)CARE B; Stable; ISSUER NOT COOPERATING* (14-Oct-20)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (26-Sep-19)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Proposed fund based limits	Simple
2	Fund-based - LT-Working capital Term Loan	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in or any clarifications.

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About CARE Ratings:

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