

## Prompt Engineering Private Limited (Revised)

July 03, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long-term / Short-term bank facilities	-	-	Reaffirmed at CARE BB; Stable / CARE A4 and Withdrawn

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

CARE Ratings Ltd. (CareEdge Ratings<sup>1</sup>) has reaffirmed and withdrawn the outstanding ratings of 'CARE BB; Stable/ CARE A4' [Double B; Outlook: Stable/ A Four] assigned to bank facilities of Prompt Engineering Private Limited (PEPL) with immediate effect. The above action has been taken at PEPL's request and 'No Objection Certificate' received from the bank that has extended the facilities rated by CareEdge Ratings.

Reaffirmation of ratings assigned to PEPL's bank facilities continues to remain constrained on account of ongoing ED investigation against promoters of the M3M group, limited geographic presence and competition along with inherent cyclical nature of the real estate sector.

However, the rating continues to draw comfort from healthy sales and collection momentum with nil reliance on long-term loans and completion of the projects earlier than the envisaged timelines. The ratings also take cognizance of strong execution and sales track record of M3M group in the real estate sector of Gurugram, Haryana and experience in real estate industry.

### Analytical approach:

Standalone

### Outlook: Stable

The "Stable" outlook reflects that entity is likely to sustain its collection and sales momentum with adequate liquidity position as reflected by negligible debt repayment obligations and moderate cash balances.

### Detailed description of the key rating drivers:

#### Key weaknesses

##### Limited geographic presence and competition

All the ongoing projects in PEPL is a part of single land parcel located in the Gurugram, Haryana region leading to considerable geographic concentration. Any downturn in such micro markets may impact developer's revenues going forward. However, the company project comprises of mix of high street retail, office, residential units and service apartments all at one place, thereby reducing the risk to certain extent. Apart from this M3M as a group is also planning to expand its geography wherein, they are in process of launching new projects in Noida, Uttar Pradesh region in near future.

##### Inherent cyclical nature of the real estate sector

The company is exposed to the cyclical nature associated with the real estate sector which has direct linkage with the general macroeconomic scenario, interest rates and level of disposable income available with individuals. In case of real estate companies, the profitability is highly dependent on property markets. A high-interest rate scenario could further discourage the consumers from borrowing to finance the real estate purchases and may depress the real estate market.

##### Ongoing ED investigation against promoters of the M3M group

The promoters of the M3M India Pvt Ltd (parent company of Prompt Engineering) have been facing ED enquiry under which the ultimate promoters (Mr. Roop Kumar Bansal, Mr. Basant Bansal and Mr. Pankaj Bansal) were arrested by ED for a period of 3 months. However, later on the promoters have been released on bail by the regulatory authority and the business operations continues to remain unaffected despite of the ongoing investigation against the M3M group. The ED charges were related to two matters pertaining to unauthorized transaction with IREO group for total value of Rs.400cr and

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications

favourable outcome by Judge Sudhir Parmar for the cases related to M3M group legal cases. Regarding the first issue of unauthorized transaction of Rs.400cr, as per the company, the dealing was on arm length basis and also as a precautionary measure M3M group has submitted the ownership document of a land parcel with estimated market value of Rs.400cr with the regulatory authorities. The said arrangement is done to avoid any major business disruption going forward. In the second case, as per the company, in the past no case of M3M group has been heard in the court of Justice Sudhir Parmar. It may be noted that none of them is the director in Prompt Engineering Private Limited (PEPL). However, considering any major adverse decision against the promoter of the company or any entity by the regulatory authority, impacting the financial risk profile of the group as a whole or Prompt Engineering, would remain a rating concern.

## Key strengths

### **Experienced promoters and successful track record of the M3M group in residential real estate development**

The promoters of the group have been associated with the real estate industry for more than a decade. Mr. Roop Kumar Bansal and Mr. Pankaj Bansal has been undertaking multiple projects in different SPV's under the brand name of 'M3M'. M3M Group has completed 203 lakh square feet of development and recognised as one of the prominent real estate developers in Gurugram, Haryana region. Also, presently the group is having 30 ongoing projects with saleable area of 357 lakh square feet.

### **Completion of the projects earlier than the envisaged timelines**

All the ongoing projects under PEPL namely M3M Corner Walk - Retail (8.04 lsf), M3M Corner Walk- Residential (4.40 lsf) and M3M Corner Walk - Office & Studio Apartments (5.40 lsf) are nearby completion, with only finishing work left. The project has been completed well before the scheduled timelines as mentioned in the sanction letter viz. Mar'25 and has received Occupation Certificate also.

### **Healthy collections and sales momentum**

As on March 31, 2025, PEPL has almost fully sold residential project area of 4.37 lsf i.e 99% of the inventory for sale value of Rs.324 crore with collection efficiency of ~100%. Further in retail segment, the company has sold 7.22 lsf area i.e ~90% of the inventory for sale value of Rs.795 crore of which Rs.740 crore i.e ~93% has been received as on March 31, 2025.

On a consolidated basis, the company has sold around 93% of the area for sales value of Rs.1530 crores and 95% of the amount has been realised till March 31, 2025. The company is having confirmed receivables of Rs.71 crore against balance project cost of Rs.50 crore as on March 31, 2025 providing 100% receivables coverage to the project.

In the past 12 months ended Mar'25, the company has been able to garner collections of Rs.190 crore reflecting average monthly collection of ~Rs.16 crore.

### **Nil reliance on long-term debt**

The company has taken term debt of Rs200cr for funding the construction of the project. However, with the early completion and receipt of OC for projects and subsequent healthy collections, the company has fully prepaid the debt. Presently the company is only having Bank Guarantee (BG) of Rs.100cr used by 12 group companies which is Rs.66.28 crore outstanding as on March 31, 2025. Further as per terms of the sanction letter, post repayment of the term loan the company is utilising 60% of the collection towards increase in margin money of the BG up-to 100%. Presently there is built up of margin money upto 100% now i.e ~Rs.66 crores against o/s BG of Rs.66.28 crore as on April 2025.

### **Liquidity: Adequate**

The liquidity of the company is adequate as reflected by regular customer collection and sales momentum. The company has balance confirmed receivables of ~Rs. 71 crore as on March 31, 2025 against balance project cost of Rs. 50 crore. During last 12 months period ended March 31, 2025, the company has recorded total collections of Rs. 190 crore, reflecting average monthly collections of ~Rs. 16 crore. PEPL doesn't have debt repayment obligation to the lenders and has non-fund based limits of Rs.66.28 crore against 100% margin money as on April 30, 2025.

## Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Withdrawal Policy](#)

[Rating methodology for Real estate sector](#)

[Short Term Instruments](#)

## About the company and industry

### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Realty	Realty	Residential, Commercial Projects

Prompt Engineering Private Limited (PEPL) is a closely held company promoted by Nitin Khanna and Dilip Kumar Singh. PEPL has been developing three projects under the name of M3M Corner Walk i.e. M3M Corner Walk (Retail), M3M Corner Walk (Office & Studio Apartments) and M3M Corner Walk (Residential). The project is located in sector-74, Gurgaon, Haryana with total area to be built under all four projects are 17.84 Isf.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (Provisional)	Q1FY26 (Provisional)
Total operating income	249.02	248.43	NA
PBILDT	56.60	-35.87	NA
PAT	42.95	-29.30	NA
Overall gearing (times)	0.00	0.00	NA
Interest coverage (times)	3,092.93	-17,083.14	NA

A: Audited; NA: Not Available; Note: these are latest available financial results

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating history for last three years:** Annexure-2

**Detailed explanation of covenants of rated instrument / facility:** Annexure-3

**Complexity level of instruments rated:** Annexure-4

**Lender details:** Annexure-5

### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Non-fund-based - LT/ST-Bank Guarantee	-	-	-	-	0.00	Withdrawn

### Annexure-2: Rating history for 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 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	-	-	-	-	1)Withdrawn (06-Jun-23)	1)CARE BBB-; Stable (05-May-22)
2	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	-	-	1)CARE BB; Stable / CARE A4 (03-Jul-25)	1)CARE BB; Stable / CARE A4 (05-Jul-24)	1)CARE BB / CARE A4 (RWN) (23-Jun-23) 2)CARE BBB; Stable / CARE A3+ (06-Jun-23)	1)CARE A3 (05-May-22)

LT: Long term; LT/ST: Long term/Short term

### Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable

### Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Non-fund-based - LT/ ST-Bank Guarantee	Simple

### Annexure-5: Lender details

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

**Note on complexity levels of rated instruments:** CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

## Contact us

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