

## Mahesh Infracon Private Limited

February 20, 2026

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	16.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BB; Stable and moved to ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	2.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*	LT rating downgraded from CARE BB; Stable and ST rating reaffirmed and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	13.00	CARE A4; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

\*Issuer did not cooperate; based on best available information.

### Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has been seeking information from Mahesh Infracon Private Limited (MIPL) to monitor the rating(s) vide latest e-mail communications January 08, 2026, January 22, 2026, February 06, 2026 and February 09, 2026 along with numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CareEdge Ratings has reviewed the rating on the basis of the best available information which however, in CareEdge Ratings' opinion is not sufficient to arrive at a fair rating. The ratings on MIPL's bank facilities will now be denoted as **'CARE BB-; Stable; ISSUER NOT COOPERATING/ CARE A4; ISSUER NOT COOPERATING'**.

**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 the bank facilities of Mahesh Infracon Private Limited (MIPL) have been revised on account of non-availability of requisite information. Further, the ratings remain constrained by low scale of operations, leveraged capital structure marked by high overall gearing, cyclical and seasonality associated with real estate industry, vulnerability of the cash flows to fluctuation in rentals and rise in interest rates, and tenant concentration risk. The rating however, favourably factor in the long-term lease agreements along with escalation clauses with reputed tenants for the leasable area signed in FY25, location of the property, experienced and resourceful promoters and diversified revenue profile.

**Analytical Approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers

At the time of last rating on April 02, 2025 the following were the rating strengths and weaknesses.

#### Key weaknesses

##### High tenant concentration

Although MIPL has a reputed tenant profile which includes reputed corporates like HDFC Bank Limited (CARE AAA; Stable/CARE A1+), Hippostores Technologies Private Limited (CARE BBB; Stable/A3+), it remains exposed to tenant concentration risk as 100% of the leased area is rented to just three tenants.

##### Cyclical and seasonality associated with real estate industry

The company is exposed to the cyclical and seasonality associated with real estate sector which has direct linkage with the general macroeconomic scenario, interest rates and level of disposable income available with individuals. With the on-going economic conditions, the real estate industry is currently facing issues on many fronts, including subdued demand, curtailed funding options, rising costs, restricted supply due to delays in approvals, etc. thereby resulting in stress on cash flows of developers. The industry has seen low demand in the recent past, primarily due to factors like sustained high level of inflation leading to high interest rates and adverse impact on buying power and affordability for the consumers.

<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.

**Vulnerability of the cash flows to fluctuation in rentals and rise in interest rates**

The company's cash flow stability is subject to two key external factors: occupancy rates and interest rates. Occupancy sits at 100%, translating into stable cash flows. However, any decrease due to competition, tenant relocation, or economic downturns would directly impact cash flow. Similarly, the company's debt carries inherent interest rate risk. Rising rates would increase future EMI payments, potentially straining cash flow and affecting the debt service coverage ratio (DSCR). To mitigate these risks, maintaining high occupancy rates with favorable lease terms and long-term lock in periods is crucial.

**Low scale of operations**

The total operating income of the company has remained low at Rs 7.81 crores in FY24 from Rs 8.13 crores in FY23. The net worth of the company has remained modest at Rs 15.10 crore as on March 31, 2024 from Rs 14.40 crores as on March 31, 2023.

**Leveraged capital structure marked by high overall gearing**

As on March 31, 2024, capital Structure of MIPL comprised majorly of unsecured loans from related parties of Rs. 34.56 crores which do not have any fixed repayment schedule, term loan of Rs16.88 crore and working capital borrowing of Rs. 11.29 crores. Capital structure stood leveraged marked by overall gearing and debt to equity of 4.11x and 2.79x respectively in FY24 as against 4.06x and 1.56x respectively in FY23.

**Key strengths****Significant long-term lease agreements with reputed tenants for the leasable area**

MIPL has entered into long term lease agreements with reputed tenants (HDFC Bank Limited & Hippostores Technologies Private Limited) for lease period of 21 years where rentals of Rs. 14.25 crore is expected to be received FY26 onwards. All these agreements have presence of escalation clauses in the lease agreements providing for periodic increase in lease rentals along with lock in-period ranging from 3 years to 5 years which provides medium term revenue visibility to MIPL. The company has an occupancy rate of 100% as on February 28, 2025.

**Strategic location of the commercial property**

Crescent Mall & Heights is situated in Sushant Golf city, Lucknow hence, easy access to public transportation and is in proximity to airport and railway station. The building boasts numerous amenities, including a cafeteria, power backup, convenience stores, lifts and 24x7 security. Also shopping malls, movie theatres, schools, and hospitals are present in the proximity of this project.

**Experienced and resourceful promoters**

The company is managed by Mr. Sameer Kumar Agarwal and Ms. Sandeep Tiwari who have experience of around two decades in real estate business through their association with MIPL and other family-run businesses.

**Diversified revenue profile**

MIPL generates revenue from multiple streams namely construction contracts, sales of shops from Crescent Mall and leasing of units of the mall which mitigates risk of dependence on any single revenue source and stabilize their financial position and enables business to maximize their use of resources and fully utilize their potential. MIPL has unexecuted order book of around Rs. 14 crores as on February 2025 to be completed by FY26. The tenor of the contracts to be executed varies to maximum of 1-2 years depending upon the type of contract bid and awarded. The moderate order book provides revenue visibility in the short to medium term for the company.

**Applicable Criteria**

[Criteria on Information Adequacy Risk and Issuer Non-Cooperation](#)

[Policy on Default Recognition](#)

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

[Financial Ratios – Non-financial Sector](#)

[Rating methodology for Real estate sector](#)

[CARE Ratings' criteria for debt backed by Lease Rentals Discounting](#)

[Short Term Instruments](#)

## About the company and industry

### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Realty	Realty	Real Estate related services

Incorporated in November 2011, MIPL is engaged in real estate activities. The company is managed by Mr. Sameer Kumar Agarwal and Ms. Sandeep Tiwari who have experience of around two decades in real estate business through his association with MIPL and other family run businesses. MIPL has developed a commercial project named Crescent Mall & Heights having 258 units in total, which is located in Sushant Golf City Lucknow, offering area of 3.66 lakh square feet. The company also undertakes turnkey assignments for government as well as private players in Uttar Pradesh.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	8.13	7.81
PBILDT*	3.29	4.46
Profit after tax (PAT)	0.60	0.70
Overall gearing (x)	4.06	4.11
Interest coverage (x)	1.37	1.26

A: Audited UA: Unaudited; Note: these are latest available financial results

\*PBILDT: Profit before interest, lease rentals, depreciation and tax

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

**Any other information:** Not Applicable

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

**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
Fund-based - LT-Term Loan		-	-	31-08-2039	16.00	CARE BB-; Stable; ISSUER NOT COOPERATING*
Fund-based - ST-Bank Overdraft		-	-	-	13.00	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - LT/ST-Bank Guarantee		-	-	-	2.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; based on best available information.

**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 - ST-Bank Overdraft	ST	13.00	CARE A4; ISSUER NOT COOPERATING*	1)CARE A4 (02-Apr-25)	-	1)CARE A4 (18-Mar-24) 2)CARE D (18-Mar-24)	1)CARE A4 (30-Mar-23)
2	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	2.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*	1)CARE BB; Stable / CARE A4 (02-Apr-25)	-	1)CARE BB-; Stable / CARE A4 (18-Mar-24) 2)CARE D / CARE D (18-Mar-24)	1)CARE BB-; Stable / CARE A4 (30-Mar-23)
3	Fund-based - LT-Term Loan	LT	16.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	1)CARE BB; Stable (02-Apr-25)	-	1)CARE BB-; Stable (18-Mar-24) 2)CARE D (18-Mar-24)	1)CARE BB-; Stable (30-Mar-23)

\*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short 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	Fund-based - LT-Term Loan	Simple
2	Fund-based - ST-Bank Overdraft	Simple
3	Non-fund-based - LT/ ST-Bank Guarantee	Simple

**Annexure-5: Lender details**

To view 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](mailto:care@careedge.in) for clarifications.

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