Maxim Infrastructure and Real Estate (Shillong) Private Limited

September 03, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Long-term bank facilities	RBI	50.41 (Reduced from 58.15)	CARE BBB-; Stable	Upgraded from CARE BB+; Positive

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Revision in the rating assigned to bank facilities of Maxim Infrastructure & Real Estate (Shillong) Private Limited (MIRESPL) factors in the company's improved financial performance in FY26 (refers to period April 01 to March 31), driven by an increase in occupancy levels to 65% from 61% in FY25, while maintaining a stable average room rate (ARR). Ratings further factor in continuation of the positive operating trend in Q1FY27, reflected in sustained improvement in the company's financial performance.

The rating also considers strengthening of MIRESPL's capital structure and debt coverage indicators, driven by scheduled repayment and partial prepayment of term debt, funded through internal accruals and capital subsidy received in the year, and repayment of unsecured loans in FY26.

The rating continues to derive strength from the experienced promoters' diversified business presence and long-term agreement with Marriott Hotel.

The rating remains constrained by company's exposure to geographic concentration risk arising from dependence on a single property, and competitive intensity in the Shillong hospitality market. The rating is further tempered by regulatory risks and the hospitality sector's high susceptibility to economic cycles and tourism demand trends.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Significant and sustained improvement in scale of operation backed by improvement in occupancy and average room rates (ARR).
- Improvement in total debt to gross cash accruals (TD/GCA) below 2.50x on a sustained basis.

Negative factors

- Significant decline in occupancy and ARR level from current levels.
- Inability of the company to maintain TD to profit before interest, lease rentals, depreciation, and tax (PBILDT) below 3.50x.
- Withdrawal of more than envisaged unsecured loans.
- Any corporate guarantee given by the company to its group entities leading to significant moderation in debt coverage ratios.

Analytical approach: Standalone

Outlook: Stable

CARE Ratings Limited (CareEdge Ratings) expects company's operational performance to remain healthy, supported by improved occupancy levels and ARR. Its financial risk profile is also expected to strengthen in the medium term, aided by scheduled debt repayments and absence of debt-funded capital expenditure plans.

Detailed description of key rating drivers

Key strengths

Experienced promoters with diversified business presence

The company is promoted by Rajat Deorah and Ashish Jasrasaria. Rajat Deorah has experience across real estate, warehousing, food processing, and lease rental businesses, while Ashish Jasrasaria has experience in real estate, warehousing, and liquor

[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

[2]Complete definitions of ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

trading. Both promoters oversee the company's overall management and operations. Their diversified business experience supports operational oversight and strategic decision-making at the company.

Long-term agreement with Marriott hotels

MIRESPL has tied up with Marriott International, Inc. for the management of the hotel in Shillong under the 'Courtyard by Marriott' brand. Marriott International Inc. is an American multinational diversified hospitality company that manages and franchises a broad portfolio of hotels and related lodging facilities. It is one of the leading hotel and leisure companies in the world with presence across ~148 countries. The Marriott group has over 10,000 properties, which it operates under 38 established brands.

MIRESPL has entered a long-term management agreement with Marriott Hotel India Private Limited (the Indian arm of Marriott International Inc.) for 27 years till March 31, 2050. The association with a globally recognised hospitality brand is expected to support the hotel's market positioning, customer reach and operational standards in the long term.

Improved financial performance in FY26 and Q1FY27

Revenue from operations increased by ~10% to ₹69.26 crore in FY26 (₹63.04 crore in FY25), supported by improved occupancy levels. Despite disruptions in the tourism sector in Meghalaya following flooding in Assam and an unlawful incident in Shillong in Q1FY26, occupancy improved to 65% in FY26 from 61% in FY25, while the ARR remained stable at ₹9,307 (FY25: ₹9,305).

The operating margin also remained stable at 37.4% in FY26 compared to 37.12% in FY25, indicating steady operating performance. The profit after tax (PAT) loss reduced significantly to ₹0.74 crore in FY26 from ₹9.48 crore in FY25 due to lower finance costs and depreciation. GCA improved to ₹18.13 crore in FY26 from ₹13.79 crore in FY25, supported by higher operating income and stable profitability.

In Q1FY27, the company achieved revenue of ₹23.99 crore with ARR of ₹11,549 and occupancy of 84% against total operating income (TOI) of ₹23.90 crore with ARR of ₹9,897 and occupancy of 66% in 4MFY26.

ARR improved significantly, driven by temporary price increases in the peak season, which complemented the company's strategic decision to capitalise on favourable market conditions.

The strong occupancy levels and higher ARR achieved in Q1FY27 demonstrate continued improvement in operating performance. CareEdge Ratings expects occupancy and ARR to remain healthy in the near term, which is expected to support revenue growth and cash accrual generation.

Improvement in capital structure and debt coverage indicators

Overall gearing improved from 1.73x as on March 31, 2025, to 1.43x as on March 31, 2026, due to repayment/prepayment of term debt, supported by internal accruals and capital subsidy of ₹5 crore received in the year.

The company prepaid ₹2.70 crore of its term debt obligation towards NEDFI, covering instalments due up to March 2026. It also prepaid ₹2.30 crore of term debt availed from Axis Bank, resulting in a reduction in the loan maturity profile from February 2031 to October 2030. Apart from the term debt repayment, the company also repaid unsecured loans amounting to ₹10.43 crore in FY26.

Debt coverage indicators improved in FY26, with total debt to PBILDT strengthening from 4.00x in FY25 to 2.85x in FY26 supported by reduction in debt level and PBILDT interest coverage improving from 2.30x in FY25 to 2.88x in FY26, supported by higher operating profit and lower finance costs.

CareEdge Ratings expects the company's capital structure and debt coverage indicators to remain comfortable in the near term, supported by healthy cash accruals, reduced debt levels, and the absence of large debt-funded capital expenditure plans.

Key weaknesses

Geographic concentration risk and competition in Shillong hospitality market

The company is exposed to geographic concentration risk as its entire revenue stream is derived from a single property in Shillong. In the last few years, Shillong has witnessed significant growth in the hospitality industry, with several established local and national hotel operators entering the market. Although Shillong currently has only two five-star hotels, namely Courtyard by Marriott and Vivanta, the company faces competition from other established hospitality players, including four-star hotels operating in the city. The company seeks to mitigate competitive pressures through diversification of its customer base across leisure, corporate, and wedding segments.

The established Marriott brand, favourable property positioning, and diversified customer profile are expected to support occupancy levels in the near term. However, the company's operating performance will remain vulnerable to competitive intensity, tourism demand, and market conditions in Shillong, given its dependence on a single property.

Regulatory risk and high susceptibility to economic cycles

The hospitality industry remains exposed to regulatory risks arising from changes in sector-specific policies, taxation, licensing requirements, and other statutory regulations at the local, state, and national levels. Non-compliance or delays in obtaining regulatory approvals may adversely affect operations and business performance. Performance of the hospitality sector also remains closely linked to macroeconomic conditions, growth in tourism activity, business travel, and consumer spending patterns. Accordingly, the company's operating performance will remain sensitive to changes in economic activity, tourism demand, business travel, consumer spending patterns, and the regulatory environment.

Liquidity: Adequate

Liquidity is adequate, supported by GCA of ₹18.13 crore in FY26 against scheduled term debt repayment obligations of ₹7.80 crore in the year. Cash accruals generation is expected to be sufficient to meet debt repayment obligation of ₹7.80 crore in FY27. The company's average fund-based working capital utilisation remained low at ~29% for 12 months ended June 2026, providing adequate liquidity cushion. The company also maintained free cash and bank balances of ₹4.74 crore as on March 31, 2026.

CareEdge Ratings expects liquidity to remain adequate over the near term, supported by healthy cash accrual generation, moderate debt servicing obligations, sufficient headroom in working capital limits and absence of debt funded capex.

Environment, social, and governance (ESG) risks- Not applicable

Applicable criteria

Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Hotels & Resorts
Financial Ratios – Non financial Sector
Service Sector Companies

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer discretionary	Consumer services	Leisure services	Hotels and resorts

MIRESPL was incorporated on December 03, 2019, by Rajat Deorah and Ashish Jasrasaria pursuant to the demerger of Maxim Infrastructure & Real Estate Private Limited (Maxim Guwahati) under a Resolution Plan approved by the National Company Law Tribunal (NCLT) through its order dated October 25, 2019, under the Insolvency and Bankruptcy Code (IBC), 2016.

The company operates a five-star hotel with 182 rooms in Shillong and has tied up with Marriott International, Inc. for the management of the hotel under the 'Courtyard by Marriott' brand. The company has entered a 27-year management agreement with Marriott Hotel India Private Limited (the Indian arm of Marriott International, Inc.) valid until March 31, 2050. Trial operations commenced on December 14, 2022, while commercial operations started on February 13, 2023.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (Prov.)	Q1FY27 (UA)
Total operating income	63.04	69.26	23.99
PBILDT*	23.40	25.90	NA
Profit after tax (PAT)	-9.48	-0.74	NA
Overall gearing (x)	1.73	1.43	NA
Interest coverage (x)	2.30	2.88	NA

A: Audited Prov.: Provisional UA: Unaudited NA: Not available; 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

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

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of regulators:
A list of facilities / instruments falling under the purview of financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	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	RBI	Simple	-	-	-	30-11-2032	47.71	CARE BBB-; Stable
Fund-based - LT-Working Capital Limits	RBI	Simple	-	-	-	-	1.70	CARE BBB-; Stable
Non-fund-based - LT-Bank Guarantee	RBI	Simple	-	-	-	-	1.00	CARE BBB-; Stable

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 2026-2027	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
1	Fund-based - LT-Term Loan	LT	47.71	CARE BBB-; Stable	-	1)CARE BB+; Positive (04-Sep-25)	1)CARE BB+; Stable (03-Dec-24)	1)CARE BB+; Stable (05-Jan-24)
2	Fund-based - LT-Working Capital Limits	LT	1.70	CARE BBB-; Stable	-	1)CARE BB+; Positive (04-Sep-25)	1)CARE BB+; Stable (03-Dec-24)	1)CARE BB+; Stable (05-Jan-24)
3	Non-fund-based - LT-Bank Guarantee	LT	1.00	CARE BBB-; Stable	-	1)CARE BB+; Positive (04-Sep-25)	1)CARE BB+; Stable (03-Dec-24)	1)CARE BB+; Stable (05-Jan-24)

LT: Long term

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

Annexure-4: 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 for clarifications.

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