

Mantri Infrastructure Private Limited

March 28, 2022

Rating

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Non Convertible Bonds@	247.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Long Term Instruments	247.00 (Rs. Two Hundred Forty-Seven Crore Only)		

Details of instruments/facilities in Annexure-1 | @ Rating is based on the credit enhancement in the form of availability of cash flows from group's other identified projects to service the debt.

Un Supported Rating²	CARE D; ISSUER NOT COOPERATING*(Single D) [Rating continues to remain under ISSUER NOT COOPERATING category]
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Note: Unsupported Rating does not factor in the explicit credit enhancement

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated March 30, 2021, placed the rating(s) of Mantri Infrastructure Private Limited (MIL) under the 'issuer non-cooperating' category as MIL had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. MIL continues to be non-cooperative despite repeated requests for submission of the latest information for reviewing the ratings, through e-mails dated February 13, 2022, February 23, 2022, March 5, 2022 etc. 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).

Detailed description of the key rating drivers

At the time of last rating on March 30, 2021 the following were the rating weaknesses (updated for the information available from stock exchanges):

Key Rating Weaknesses

Delays in debt servicing: As per the banker interaction and 9MFY22 financials filed with stock exchange (BSE), it is understood that there have been continuing delays in debt repayments.

Analytical approach: Overall Mantri group's cashflows were analyzed along with transaction features of bonds being rated.

Applicable Criteria

[Policy on default recognition](#)

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

[Rating Credit Enhanced Debt](#)

[Financial Ratios – Non financial Sector](#)

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

[Rating Outlook and Credit Watch](#)

About the Company

Mantri Infrastructure Private Limited (MIPL) is a SPV floated by Mantri group to undertake construction of Mantri Central retail project in Bengaluru. The project involves construction of retail mall with leasable area of 5.91 lsf with construction cost of Rs. 214 crore. MIPL raised an amount of Rs.250 crore by issuing bonds. The repayment of these bonds will be made out of excess cashflows of entire Mantri group's existing assets (residential+ commercial+ retail) post repayment to the existing senior lenders.

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021 (A)	9MFY22 (Prov.)
Total operating income	29.34	44.55	0.05
PBILD	28.98	43.70	-0.69
PAT	-8.18	-0.36	-67.59

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

*Issuer did not cooperate; Based on best available information

²As stipulated vide SEBI circular no SEBI/ HO/ MIRSD/ DOS3/ CIR/ P/ 2019/ 70 dated June 13, 2019. As per this circular, the suffix 'CE' (Credit Enhancement) is assigned to the ratings with explicit external credit enhancement, against the earlier used suffix 'SO' (Structured Obligation).

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021 (A)	9MFY22 (Prov.)
Overall gearing (times)	NM	NM	NA
Interest coverage (times)	0.76	0.97	NM

A: Audited; Prov.: Provisional; NM: Not meaningful; NA: Not Available

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

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

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

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

Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Bonds-Non Convertible Bonds	INE00JW07011	June 18, 2018	9.00%	March 31, 2023	247.00	CARE D; ISSUER NOT COOPERATING*
Un Supported Rating	-	-	-	-	0.00	CARE D; ISSUER NOT COOPERATING*

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Bonds-Non Convertible Bonds	LT	-	-	-	-	1)Withdrawn (04-Sep-19) 2)Provisional CARE BB+ (SO); Negative (03-Apr-19)	1)Provisional CARE BB+ (SO); Stable (11-Jun-18) 2)Provisional CARE BB+ (SO); Stable (28-May-18)
2	Bonds-Non Convertible Bonds	LT	247.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (30-Mar-21) 2)CARE D (02-Apr-20)	1)CARE BB+ (SO); Negative (03-Apr-19) 2)CARE BB+ (CE); Negative (14-Sep-19)^	1)CARE BB+ (SO); Stable (11-Jun-18) 2)Provisional CARE BB+ (SO) (28-May-18)
3	Un Supported Rating	LT	0.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (30-Mar-21) 2)CARE D (02-Apr-20)	-	-

LT: Long Term | ^Suffix change from 'SO' to 'CE' was based on updated SEBI Guidelines.

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities

Non Convertible Bonds	Detailed explanation
A. Financial covenants	Min DSCR at Group of 1.25x starting from Sep'19.
B. Non financial covenants	Maximum debt of Rs.7750 crore at group level on consolidated basis and to maintained on an ongoing basis.

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

Sr. No	Name of instrument	Complexity level
1	Bonds-Non Convertible Bonds	Simple
2	Un Supported Rating	Simple

Annexure 5: Bank Lender Details for this Company

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

Note on complexity levels of the rated instrument: CARE Ratings Ltd. 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 for any clarifications.

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About CARE Ratings Limited:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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