



Press Release

MAHENDRA REALTORS AND INFRASTRUCTURE LIMITED (ERSTWHILE MAH REALTORS AND INFRASTRUCTURE PRIVATE LIMITED)

September 23, 2025

Rating Assigned and Upgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	14.00	ACUITE BBB- Stable Assigned	-
Bank Loan Ratings	14.42	ACUITE BBB- Stable Upgraded	-
Bank Loan Ratings	0.28	-	ACUITE A3 Upgraded
Total Outstanding Quantum (Rs. Cr)	28.70	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has upgraded the long term rating of 'ACUITE BBB-' (read as ACUITE triple B Minus) from 'ACUITE B+' (read as ACUITE B plus) on the Rs.14.42 crore of bank facilities and short term rating of 'ACUITE A3' (read as ACUITE A three) from 'ACUITE A4' (read as ACUITE A Four) on the Rs. 0.28 crore bank facilities of Mahendra Realtors and Infrastructure Limited. The Outlook is 'Stable'.

Acuite also assigned long term rating of 'ACUITE BBB-' (read as ACUITE triple B Minus) on the Rs.14 crore bank facilities of Mahendra Realtors and Infrastructure Limited (MRIL) (Erstwhile Mahendra Realtors and Infrastructure Private Limited). The Outlook is 'Stable'.

The Company has provided information, leading to transition from Issuer Not Co-operating (INC since 2018) to a regular issuer.

Rating for Rationale:

MRIL, with over 18 years of operational experience and a strong client base including MHADA, PWD, SBI, and CIDCO, has built a solid reputation in Maharashtra's infrastructure sector. The company recorded steady revenue growth to Rs.124.77 crore in FY2025 from Rs.101.49 crore in FY2024, supported by diverse project execution and improved profitability, with EBITDA margin rising to 14.41% and PAT margin to 11.91% in FY 2025. Its financial risk profile remains comfortable, with net worth increasing to Rs.70.89 crore and gearing at a healthy 0.22x in FY 2025. Further, the Company is recently listed in NSE SME platform which further enhanced their capital base. Liquidity is adequate, backed by Rs.15.10 crore in net cash accruals, a current ratio of 1.46x, and Rs.12.48 crore in free bank deposits as on 31st March, 2025. However, MRIL's working capital cycle were intensive in FY2025. Gross Current Assets (GCA) days increased to 195 day from 110 day in FY2024, attributed to longer debtor and inventory cycles. Debtor days rose to 118 day from 49 day, caused by delayed collections after substantial year-end billing (47% of revenue in Q4FY25, with 33% concentrated in March'25). Further, Inventory days rose to 32 day in FY 2025 from 17 days in FY 2024, due to an increase in work-in-progress in FY 2024. Acuite believes that operating performance will improve in the medium term backed by outstanding order book of Rs.193.41 crore as on 31st July, 2025 and their recent foray into civil construction projects, while working capital management and geographical concentration risk will be key monitorable.

About the Company

Mahendra Realtors and Infrastructure Limited (MRIL), formerly known as Mahendra Realtors and Infrastructure Private Limited, was incorporated in June 2007 and has since established itself as a versatile player in the infrastructure and construction services domain. The company's offerings include structural repairs, rehabilitation,

retrofitting, waterproofing, corporate interiors, BOT projects, maintenance, construction, and infrastructure restoration. Marking a significant milestone in its growth trajectory, MRIL was officially listed on the NSE and

Unsupported Rating

Not Applicable.

Analytical Approach

Acuité has considered the standalone business and financial risk profile of MRIL to arrive at this rating.

Key Rating Drivers

Strengths

Experienced management with Strong diversified Client base:

MRIL with over 18 years of operational experience, has established a strong presence across Maharashtra, supported by a solid track record of successful project execution for reputed clients such as NIACL, MHADA, PWD, SBI, IDBI, MTNL, Bank of India, PEN Municipal Council, MMRDA, CIDCO etc. This extensive client base reflects the company's credibility and technical competence in infrastructure services. Acuité believes that MRIL's experienced management and longstanding relationships with its clients will continue to support its business growth and operational stability in the medium term.

Improvement in Operational Performance:

MRIL has exhibited steady financial growth, with operating income rising to Rs.124.77 crore in FY2025 from Rs.101.49 crore in FY2024 and Rs.63.02 crore in FY2023, driven by successful execution of varied infrastructure projects across Maharashtra. Profitability has seen a steady uptick, as EBITDA margin improved from 13.18% in FY2024 to 14.41% in FY2025, aided by lower employee costs and favorable raw material pricing, while PAT margin rose from 11.41% in FY 2024 to 11.91% in FY 2025, supported by increased other income from fixed deposit interest. As of July 31, 2025, MRIL's outstanding order book stood at Rs.193.41 crore, translating to an OB/OI ratio of 1.55x, offering moderate revenue visibility. Acuite expects MRIL's revenue to grow sustainably over the near to medium term.

Comfortable Financial Risk Profile:

The company's financial risk profile remains comfortably positioned in FY 2025, underpinned by an increase in net worth to Rs.70.89 crore from Rs.56.02 crore in FY 2024 and Rs.44.44 crore in FY 2023, driven by accretion in reserves, and further strengthened by a capital infusion following its listing on the NSE and SME platform, which increased their capital base by Rs.39.23 crores (equity share capital to Rs.4.73 crore and share premium to Rs.34.50 crore) resulting in a total net worth of approximately Rs.112 crore as of August 31, 2025. Despite an increase in total borrowings to Rs.14.40 crore in FY2025 from Rs.5.08 crore in FY2024, the company maintained a conservative gearing ratio of 0.22x, up from 0.09x, reflecting prudent leverage. Debt protection metrics improved, with ISCR rising to 18.48 times and DSCR to 13.75 times in FY2025, compared to 13.57 times and 10.45 times in FY2024, indicating strong earnings capacity. NCA/TD moderated to 0.98x in FY 2025 from 2.33x in FY 2024. The TOL/TNW ratio increased to 0.94x in FY 2025 from 0.65x in FY 2024, primarily due to higher short-term liabilities, including subcontractor payables. With no debt-funded capex planned, MRIL is well-positioned for further strengthening of its financial risk profile over the medium term.

Weaknesses

Intensive Working Capital cycle:

MRIL's working capital operations remained intensive in FY2025, as Gross Current Assets (GCA) days increased to 195 from 110 in FY2024, primarily due to extended debtor and inventory cycles. Debtor days surged to 118 in FY 2025 from 49 in FY 2024, driven by delayed collections following heavy year-end billing—47% of revenue was booked in Q4FY25, with 33% concentrated in March—and the inherently prolonged approval process of government clients. Inventory days rose to 32 in FY 2025 from 17 in FY 2024, reflecting a buildup in work-in-progress inventory to Rs.9.12 crore in FY 2025 from Rs.3.94 crore in FY 2024, which was partially around Rs.5.24 crores realized in Q1FY26. Other current assets also increased to Rs.16.65 crore in FY 2025 from Rs.12.62 crore in FY 2024, largely due to higher retention money receivable and supplier advances. Accounts payable days stretched to 327 in FY 2025 from 306 in FY 2024, though 93% of creditors remained within the due period, consistent with their credit period 45 to 60 days. Despite these fluctuations, Acuite expects MRIL's working capital cycle will Improve over the medium term, supported by timely realization of receivables and inventory.

Geographical concentration with smaller value of order:

MRIL's order book is predominantly concentrated in Maharashtra, with an average ticket size ranging between Rs.5 to Rs.10 crore. This is due to the company's strong client relationships and operational presence in the state. However, MRIL's recent expansion into the construction segment is expected to diversify its portfolio and enable participation in higher-value tenders, enhancing scale and revenue potential.

Rating Sensitivities

- 1.Execution and securing new orders
2. Working Capital management

**Liquidity Position
Adequate**

MRIL's liquidity profile is adequate, underpinned by healthy net cash accruals of Rs.15.10 crore in FY2025 against nil debt repayment obligations, owing to the absence of long-term borrowings. The current ratio improved slightly to 1.46x in FY2025 from 1.40x in FY2024, indicating stable short-term financial health. As of March 31, 2025, the Company held Rs.0.36 crore in unencumbered cash and Rs.12.48 crore in free bank deposits, providing a comfortable liquidity cushion. MRIL has utilized approximately 56% of its sanctioned bank limits over the seven months ending July 2025, showcasing prudent working capital management, while non-fund-based utilization stood high at 93% for the six months ending June 2025. Acuité believes that the firm's liquidity profile is expected to remain adequate over the medium term, driven by steady accruals and the continued absence of long-term borrowings.

Outlook: Stable**Other Factors affecting Rating**

None.

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	124.77	101.49
PAT	Rs. Cr.	14.87	11.58
PAT Margin	(%)	11.91	11.41
Total Debt/Tangible Net Worth	Times	0.22	0.09
PBDIT/Interest	Times	18.48	13.57

Status of non-cooperation with previous CRA (if applicable)

Not Applicable.

Any other information

None.

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
08 Nov 2024	Bank Guarantee (BLR)	Short Term	3.18	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)
	Bank Guarantee (BLR)	Short Term	0.37	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)
	Bank Guarantee (BLR)	Short Term	2.70	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)
	Cash Credit	Long Term	6.00	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
	Secured Overdraft	Long Term	2.45	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
11 Aug 2023	Bank Guarantee (BLR)	Short Term	3.18	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	0.37	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	2.70	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	6.00	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
	Secured Overdraft	Long Term	2.45	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
25 May 2022	Bank Guarantee (BLR)	Short Term	3.18	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	0.37	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	2.70	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	6.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB)
	Secured Overdraft	Long Term	2.45	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	Not avl. / Not appl.	Proposed Short Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.28	Simple	ACUITE A3 Upgraded (from ACUITE A4)
Union Bank of India	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	14.42	Simple	ACUITE BBB- Stable Upgraded (from ACUITE B+)
Union Bank of India	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	14.00	Simple	ACUITE BBB- Stable Assigned

Contacts

Mohit Jain Chief Analytical Officer-Rating Operations	Contact details exclusively for investors and lenders
Shreya Banerjee Analyst-Analytical Operations	Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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