



Press Release

Westpoint Infrastructure Private Limited **(Formerly known as Mesaso Infrastructure Private Limited)**

May 12, 2025

Ratings

Security / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	<u>Complexity Indicator</u>
Long Term Bank Facilities	150.00	IVR BBB-/ Positive (IVR Triple B minus with Positive outlook)	IVR BBB-/ Stable (IVR Triple B Minus with Stable outlook)	Outlook revised from Stable to Positive	Simple
Short Term Bank Facilities	15.00 (Including proposed limit of Rs. 0.25 crore)	IVR A3 (IVR A Three)	IVR A3 (IVR A Three)	Rating reaffirmed	Simple
Total	165.00 (Rs. One Hundred Sixty-Five Crore Only)				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

The reaffirmation of ratings to the bank facilities of Westpoint Infrastructure Private Limited (WIPL) [Formerly known as Mesaso Infrastructure Private Limited (MIPL)] continues to consider the long track record of the promoters in the real estate market and strategic location of the project in Gangtok city. Furthermore, the ratings continue to derive strength from satisfactory progress of the project and support from authority under smart city development plan to complete the project. However, these rating strengths remain constrained due to exposure to risks inherent to real estate industry. The outlook is revised from stable to positive on account of the near completion stage of the project on the back of its experienced promoter and authority support under Smart City Development plan.

Key Rating Sensitivities:

Upward Factors

- Scheduled completion of the ongoing project within estimated debt equity mix.
- Stabilization of the project and favourable lease rental booking of showroom and hotel room booking.

Downward Factors

- Failure to achieve envisaged revenue impacting the credit profile.
- Lower than expected booking status impacting debt protection metrics.



Press Release

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Long track record of the promoters in the real estate market**

WIPL, A Sikkim based private limited company was promoted by Mr. Sanjay Mittal Agarwal along with Ms Meenakshi Mittal Agarwal have rich experience in various industry such as Manufacturing, Construction, Real estate activities, Hotels and Restaurants, Real Estate and Renting, Trading etc. Further, the company is a part of Begraj Group, well known in real estate business beside trading and manufacturing activities in Sikkim and northern eastern region of west Bengal.

- **Strategic location of the project**

The project is located at strategic location with adequate social infrastructure such as spacious shops, food courts, restaurants, multiplexes, and 5-star category hotels together with gaming zones to attract tourists and local people.

- **Support from Gangtok Smart City Development Limited**

The project will be developed under Smart City Development Plan. The company will also receive VGF (Viable Gap Funding) stage wise to complete the project. Company has already received full VGF till March 31, 2025, to support the project.

- **Satisfactory progress of the project**

The project is in advance stage of completion. The company has already incurred 104.40% of the total cost of the project. The extra cost of Rs. ~15.00 crore was infused by the promoters through internal accrual only. The construction of parking, mall and hotel area has already completed. Further, the operation of parking area & mall retail area up to food court has already been started from December 2024 onwards and revenue from hotel area will start from September 2025.

Key Rating Weaknesses

- **Exposure to risks inherent to real estate industry**

Cyclicality in the real estate segment could lead to fluctuations in the valuation of the property itself and, in turn, affect the future lease rentals. Moreover, hospitality industry also remains vulnerable to general economic slowdown and exogenous shocks such as



Press Release

geo-political crisis, terrorist attacks, disease outbreak etc. This may impact the debt servicing ability of the company.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Real Estate Companies.](#)

[Financial Ratios & Interpretation \(Non- Financial Sector\)](#)

[Criteria of assigning rating outlook](#)

[Policy on default recognition](#)

[Complexity level of Rated Instrument / Facilities.](#)

Liquidity – Adequate

WIPL is expected to maintain an adequate level of inflow and the same is likely to increase gradually with timely completion of the project. Further, entire inflow & outflow of fund is required to be routed through an escrow account and the company also have to maintain a DSRA for minimum one quarter principal and interest from July 2025. WIPL had maintained DSRA in the form of fixed deposit in Punjab National Bank. The overall liquidity position is expected to remain adequate. Moreover, WIPL also enjoys a moratorium period of 12 months after its last drawl (2nd quarter of FY26) [FY refers to period from April 01 to March 31].

About the Company

Gangtok (Sikkim) based Westpoint Infrastructure Pvt Ltd (WIPL) (*Formerly known as Mesaso Infrastructure Pvt Ltd (MIPL)*) is a special purpose Vehicle (SPV) promoted by Mr. Sanjay Mittal Agarwal & Tirupati Plaza Pvt Ltd ("TPPL", a Begraj Group company) formed for implementation of the commercial project which includes mall, parking lot and a hotel at Old west point area of Gangtok city under the Smart City Mission (SCM) which was launched by the Ministry of Urban Development, Government of India (Presently Ministry of Housing and Urban Affairs) on June 25, 2015. The project was bagged by Tirupati Plaza Pvt Ltd under a tender issued by Gangtok smart city development Ltd (Authority). MIPL was incorporated on February 08, 2021 for development of the aforesaid commercial project. In order to execute the project a concessional agreement was signed on June 29, 2021.

Financials (Standalone):

(Rs. crore)



Press Release

For the year ended/ As On*	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	0.00	0.00
EBITDA	-0.35	-0.84
PAT	0.08	-0.25
Total Debt	91.37	139.73
Tangible Net worth	89.49	141.22
Adjusted Tangible Net Worth	89.49	141.22
EBITDA Margin (%)	NM	NM
PAT Margin (%)	17.97	-28.54
Overall Gearing Ratio (x)	1.02	0.99
Interest coverage Ratio (x)	-27.60	-2.78

*Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
					-	Feb 23, 2024	Dec 14, 2022
1.	Term Loan	Long Term	150.00*	IVR BBB-/Positive	-	IVR BBB-/Stable	IVR BBB-/Stable
2.	Bank Guarantee	Short Term	14.75	IVR A3	-	IVR A3	IVR A3
3.	Proposed Limit – Bank Guarantee	Short Term	0.25	IVR A3	-	IVR A3	IVR A3

*Term loan of Rs.150.00 crore has not fully disbursed till date.

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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly known as Infomerics Valuation and Rating Pvt Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as



Press Release

External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

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Annexure 1: Instrument / Facility Details

Name of Facility	ISIN	Date of Issuance	Coupon Rate/IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan	-	-	-	August 2037	150.00	IVR BBB-/Positive
Bank Guarantee	-	-	-	-	14.75	IVR A3
Bank Guarantee - Proposed Limit	-	-	-	-	0.25	IVR A3

Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/Len-Westpoint-Infrastructure-12may25.pdf>

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable



Press Release

Annexure 4: List of companies considered for consolidated/ Combined analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at <https://www.infomerics.com>.

