



Press Release

M3M India Private Limited

April 10, 2025

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	18.47	IVR BBB/Positive (IVR Triple B with Positive Outlook)	-	Rating Assigned	Simple
Long Term Bank Facilities-Proposed	921.53	IVR BBB/Positive (IVR Triple B with Positive Outlook)	-	Rating Assigned	Simple
Total	940.00	Rupees Nine Hundred Forty Crore Only			

Details of Facilities/Instrument are in Annexure 1

Facility wise lender details are at Annexure 2

Detailed explanation of covenants is at Annexure 3

Detailed Rationale

Infomerics Valuation and Rating Limited (IVR) has assigned long term rating of IVR BBB with a Positive outlook for the bank loan facilities of M3M India Private Limited (MIPL).

The rating draw comfort from the established track record of group and experienced management, favourable location, comfortable financial risk profile and status of ongoing projects. However, these strengths are partially offset by project implementation risk, geographic and project concentration risk and intense competition.

The 'Positive' outlook indicates expected improvement in financial risk profile in coming years from ongoing projects.

IVR has principally relied on the standalone audited financial results of MIPL upto 31 March 2024 (refers to period April 1st, 2023, to March 31, 2024) unaudited 9MFY25 results and projected financials for FY2025, FY2026 and FY2027, and publicly available information/clarifications provided by the company's management.



Press Release

Key Rating Sensitivities:

Upward Factors

- Timely sale of inventory at competitive rates
- Improvement in cash position and liquidity profile of the Company
- Timely completion of projects

Downward Factors

- Deterioration in debt protection metrics and overall gearing above 1.60x
- Significant cost overrun and delay in completion of projects.
- Slowdown in saleability of the ongoing projects resulting in collections lower than expected.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Established track record of group and experienced management:**

MIPL belongs to M3M group which has successfully completed and delivered multiple projects in National Capital Region (NCR) through other group real estate companies. IVR believes that MIPL will benefit from the established track record of the group to complete the project on time as well as sale of inventory. The company is promoted by Bansal family. The promoters have more than two decades of experience in real estate business. They are ably supported by qualified and well-experienced management team. The promoters have already infused 100.00% of their estimated contribution to the projects which reflects their commitment towards timely completion of the project.

- **Favorable location:**

The company's projects are strategically located in Gurgaon and Noida. The strategic location of the project and the group's reputation provides comfort for the execution and marketability of the project. Also, the project is having connectivity with airport, railway, roads, schools, hospitals, malls and metro line.

- **Comfortable financial risk profile:**

The company has a comfortable financial risk profile which is reflected through overall gearing of 1.41x in FY2024. The company total debt has been reduced to Rs. 476 crore in FY2024 from Rs. 1816 crore in FY2023. The TNW stood comfortable at Rs. 337 crore in FY2024.

- **Project update:**



Press Release

MIPL developing 8 residential and 6 commercial projects having 12,508 units with a saleable area of 192.76 lacs sq. ft. The company has incurred ~49.75% of the total cost of the project till 31st December 2024 and expected to be completed within due course of time. The total number of units to be sold in all projects was 12508 units out of which around 8905 units are already sold. As on 31st December 2024, the company sold ~71% units out of 12,508 units which have a sales consideration of Rs. ~19,415 crore and received Rs. 7,827 crore of customer advances translating into ~40% of sales consideration of booked units. The unsold inventory of all provides revenue visibility in the medium term.

Key Rating Weaknesses

- **Project implementation risk:**
The projects are currently under construction and scheduled for completion of construction at various dates as per RERA. The company's ability to execute projects as per schedule is highly dependent external factors like timely receipt of customer advances and promoters' contribution which forms major portion of the total funding requirement of the projects.
- **Geographic and project concentration risk:**
The company is exposed to geographic concentration as most of their projects are in Gurgaon, Haryana and Noida, Uttar Pradesh real estate market. Any adverse movement in the Haryana or Uttar Pradesh real estate market may adversely impact on the sales and collections of the company.
- **Inherent risk of the industry along with intense competition:**
The company is exposed to the cyclical nature inherent in an intensely competitive real estate sector, which could result in fluctuations in cash inflows because of volatility in saleability. Further, MIPL will remain susceptible to the inherent cyclical nature in the real estate sector. There is intense competition from the regional players.

Analytical Approach: For arriving at the ratings, IVR has analysed MIPL's credit profile by considering the consolidated financial statements of the company. IVR has taken a consolidated view of the business and financial profiles of MIPL and its subsidiary, collectively referred to as M3M group because of the commonality of management and business, cash flow fungibility and significant operational and financial linkage between the entities.

Applicable Criteria:



Press Release

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

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

[Criteria for assigning Rating outlook.](#)

[Consolidation of Companies](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)

Liquidity – Adequate

The liquidity of the company is adequate which is majorly supported by means of customer advances and promoters' contribution thereby reducing dependence on debt. The company has received around Rs. 7827 crore from the customers for the booked inventory as on 31st December 2024 which has a sale of Rs. 19,415 crore and unsold inventory has a sale value of Rs. 7,557 crore, however the future sales realizations and advances are expected to support the liquidity. The cash and bank balance stood at Rs. 665.00 crore as on 31st March 2024. Further company is likely to benefit from the resourcefulness of the promoters.

About the Entity

M3M group is promoted by Bansal family. Presently the M3M group is headed by Mr. Basant Bansal, Mr. Roop Kumar Bansal and Mr. Pankaj Bansal. M3M India Private Limited, formerly known as M3M India Ltd, was incorporated in March 2007 by Mr. Roop Kumar Bansal and Mr. Pankaj Bansal. The Group has presence across residential, commercial and retail segments of real estate and has a presence across multiple micro markets in Delhi-NCR. The company is marketing its projects under two brands namely 'M3M and Smartworld'

Financials (Consolidated*):

(Rs. crore)		
For the year ended as on	31-03-2023	31-03-2024
	Unaudited	Unaudited
Total Operating Income	1658.54	705.17
EBITDA	97.54	-482.83
PAT	-185.46	-568.83
Total Debt	1816.00	476.00
Tangible Networkth	968.00	337.00
EBITDA Margin (%)	5.88	-68.47
PAT Margin (%)	-10.25	-64.63
Overall Gearing Ratio (x)	1.88	1.41
Interest Service Coverage Ratio (x)	0.37	-2.62

**The company does not prepare the audited financials on consolidated basis. Since we have taken consolidated approach for arriving at the rating the company has provided unaudited consolidated results.*



Press Release

Financials (Standalone):

(Rs. crore)

For the year ended as on	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	684.30	232.27
EBITDA	-48.90	-286.85
PAT	-395.63	-377.63
Total Debt	778.77	100.34
Tangible Networth	422.08	87.96
EBITDA Margin (%)	-7.15	-123.50
PAT Margin (%)	-51.52	-114.89
Overall Gearing Ratio (x)	1.85	1.14
Interest Service Coverage Ratio (x)	-0.24	-2.14

Status of non-cooperation with previous CRA: Nil

Any other information: Not Applicable

Rating History for last three years:

Sr. No.	Type of Instrument/Facility	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Tenure	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
1.	Fund Based	Long Term	18.47	IVR BBB/Positive	-	-	-
2.	Fund Based-Proposed	Long Term	921.53	IVR BBB/Positive	-	-	-

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Press Release

About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly 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 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.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com.

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Annexure 1: Details of Facilities:

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan-1	-	-	July 2027	0.83	IVR BBB/Positive
Term Loan-2	-	-	July 2027	17.64	IVR BBB/Positive
Proposed Term Loan	-	-	-	921.53	IVR BBB/Positive

Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-M3MIndia-apr25.pdf>



Press Release

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

Annexure 4: List of companies considered for consolidated/combined analysis:

S.No	Name of entities	Extent of Consolidation
1	Adol Infratech Private Limited	100%
2	Afresh Builders Private Limited	100%
3	Benchmark Infotech Private Limited	100%
4	Blossom Propbuild Private Limited	100%
5	Bonus Builders Private Limited	100%
6	Consolidate Realtors Private Limited	100%
7	Gama Buildwell Private Limited	100%
8	Generous Realtors Private Limited	100%
9	Gentle Realtors Private Limited	100%
10	Glory Infracon Private Limited	100%
11	Golden Gate Propbuild Private Limited	100%
12	Ghi Finlease & Investments Limited	100%
13	Lavish Buildmart Private Limited	100%
14	Lekh Buildtech Private Limited	100%
15	Uddeshya Buildtech Private Limited	100%
16	M3M Homes Private Limited	100%
17	Olive Realcon Private Limited	100%
18	M3M India Infrastructures Private Limited	100%
19	M3M Residency Private Limited	100%
20	Moonlight Infracon Private Limited	100%
21	Nice Realcon Private Limited	100%
22	Rapid Infracon Private Limited	100%
23	Skyline Propcon Private Limited	100%
24	Union Buildmart Private Limited	100%
25	Zenith Realtech Private Limited	100%
26	Aawam Residency Private Limited	100%
27	Paryapt Infrastructure Private Limited	100%
28	Modgen Developers Private Limited	100%
29	Bequeath Infrastructure Private Limited	100%
30	Pardarshik Buildtech Private Limited	100%
31	Ujjagar Constructions Private Limited	100%
32	Blue Bell Buildtech Private Limited	100%
33	Metro Education & Welfare Private Limited	100%
34	M3M India Private Limited	100%

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 www.infomerics.com.