



## Press Release

**Laxmi Infra Venture Private Limited**

**June 04, 2025**

### Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Long Term Bank Facilities	90.00 (includes proposed limit of Rs. 32 Cr)	IVR BBB-/ Stable (IVR triple B minus with Stable Outlook)	-	Rating assigned	Simple
<b>Total</b>	<b>90.00</b> <b>(INR ninety crores only)</b>				

**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 long-term rating assigned to the bank facilities of Laxmi Infra Venture Private Limited (LIVPL) has taken into account the long track record of operations and experienced management. The rating also favourably factors in moderate project cost structure, favourable saleability and maintenance of DSRA and escrow account. However, these rating strengths are constrained due to geographical concentration risk, project implementation risk and exposure to risks relating to cyclicalities in real estate industry.

The rating outlook assigned to long-term rating is Stable as the company will benefit from the extensive experience of the promoters along-with favourable industry outlook.

### Key Rating Sensitivities:

#### Upward Factors

- Timely receipt of customer advances
- Improvement in financial risk profile
- Scheduled completion of ongoing projects

#### Downward Factors

- Significant delay in disbursement of committed lines of funding.
- Weaker than anticipated sales performance and lower than expected collections which may lead to increased funding risk
- Time and cost overrun in the Projects



## Press Release

### List of Key Rating Drivers with Detailed Description

#### Key Rating Strengths

- **Long track record of operations of the company and experienced management**

Laxmi Infra Venture Private Limited (LIVPL) has a long operational track record in the real estate industry for more than fourteen years. LIVPL had a presence in Odisha and developed more than 4.44 lakh square feet residential and commercial projects totalling 10 projects. Recently, LIVPL is developing 7 projects with a total 9.49 lakh square feet under development. In addition to this, the promoters Mr. Rajesh Kumar Nayak and Mrs. Rashmita Nayak are highly experienced and actively involved in the operations of the company since inception. Going forward, the long operational track record of the company and promoters' extensive understanding and expertise will support the company's growth plans.

- **Moderate Project cost structure and favourable saleability**

The total cost envisaged to the projects is Rs.631.26 Cr, which is projected to be met through promoters' contribution of Rs.74.70 Cr, term loan and unsecured loan of Rs.154.50 Cr, and customer advances of Rs.402.06 Cr. The loan amount to total cost of the projects is ~24.47%, while the promoters' fund is ~11.83%. and customer advances constitute ~63.69%. Thus, reliance on customer advances is high compared to promoter's contribution and debt. In addition to this, as on 31<sup>st</sup> March 2025, out of the 668 units, 279 units have been sold, which is ~42% of the total saleable units. The remaining ~58% are still pending for sale. Further, the total sale value of the projects is Rs.828.67 Cr, out of which the value of sold units is Rs.263.13 Cr of which the company has received Rs.113.70 Cr. (demand raised around Rs. 124.95 Cr), depicting robust collection efficiency of ~91%. The timely receipt of customer advances and booking money received would be key monitorable going forward.

- **Maintenance of DSRA and escrow account**

The company is required to maintain a DSRA equivalent to three months interest and principal repayments which imparts additional comfort over the repayment of debt. Further, the revenue of the projects will be routed through an escrow account maintained with the bank. The withdrawals from accounts will be as per the predefined waterfall mechanism giving priority to debt obligations and last to operational expenses.

#### Key Rating Weaknesses

- **Geographical concentration risk**



## Press Release

As most of the projects of the company is being executed in Bhubaneswar, Odisha, it is exposed to geographical concentration risk. The fortune of the projects therefore will depend on the overall market sentiment in the region.

- **Projects Implementation Risk**

The projects 'Laxmi Annex' (96%), 'Laxmi Imperial' (86%) and 'Laxmi Ashiyana' (80%) are in the advanced construction stage which indicates a low degree of project implementation risk. However, the projects 'Laxmi Swarna Vaibhav' (46%) and 'Laxmi Residency 4' (65%) are in the mid construction stage which indicates a moderate degree of project implementation risk. The projects 'Laxmi Fresh Living' (10%) and 'Laxmi Vaikunthapuram' (12%), are in the nascent construction stage which indicates a high degree of project implementation risk. Nevertheless, the directors have vast experience in the real estate sector which imparts some comfort.

- **Exposure to risks relating to cyclicity in the real estate industry**

Being a cyclical industry, real estate depends on macro-economic factors and the company's dependence on a particular geography further heightens such risk. The real estate industry also remains susceptible to regulatory risk. Cumulatively, these may have a material bearing on the real estate project cash flow. This may impact on the debt servicing ability of the company. Managing the same thus remains critical.

**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 Instruments/Facilities](#)

**Liquidity– Adequate**

The adequate liquidity position of the company is on account of the comfortable average cumulative cash flow coverage ratio of 1.54 times during FY26 (refers to period April 1st, 2025, to Mar 31, 2026) to FY2028 (refers to period April 1st, 2027, to Mar 31, 2028). The total cash inflow of the company during FY2026 is expected to be Rs.244.41 Cr as against a total outflow



## Press Release

of Rs.132.19 Cr, thereby having a surplus of Rs.112.22 Cr. Again, the company is projected to maintain an adequate level of inflow and the same is expected to increase gradually with improvement in bookings. In addition to this, availability of DSRA mechanism will ensure the smooth repayments.

### **About the Company**

Incorporated in 2011, Laxmi Infra Venture Private Limited (LIVPL) is a Bhubaneswar based company engaged in real estate business. Currently, the company is headed by Mr. Rajesh Kumar Nayak, Mrs. Rashmita Nayak, Mr. Deepak Kumar Panda and Mr. Sanjay Kumar Sethi. LIVPL had a presence in Odisha and developed more than 4.44 lakh square feet residential and commercial projects totalling 10 projects. Recently, LIVPL is developing 7 projects with a total 9.49 lakh square feet under development.

### **Financials (Standalone):**

**(Rs. crore)**

<b>For the year ended/ As on*</b>	<b>31-03-2024</b>	<b>31-03-2025</b>
	<b>Audited</b>	<b>Provisional</b>
Total Operating Income	21.03	71.29
EBITDA	2.09	-16.24
PAT	0.35	-20.75
Total Debt	19.48	43.03
Tangible Net Worth	3.82	-16.93
EBITDA Margin (%)	9.96	-22.78
PAT Margin (%)	1.67	-29.11
Overall Gearing Ratio (x)	5.10	-2.54
Interest Coverage (x)	1.48	-3.77

\* Classification as per Infomerics' standards.

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating History for last three years:**



## Press Release

Sl. No.	Name of Instrument / Facilities	Current Rating (Year 2025-26)			Rating History for the past 3 years		
		Type (Long Term/ Short Term)	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.	Term Loan	Long Term	58.00	IVR BBB-/ Stable	-	-	-
2.	Proposed Term Loan	Long Term	32.00	IVR BBB-/ Stable	-	-	-

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### 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.

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## Press Release

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### Annexure 1: Facility Details

Name of Facility/ Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan I	-	-	-	March 2029	50.00	IVR BBB-/ Stable
Term Loan II	-	-	-	March 2026	8.00	IVR BBB-/ Stable
Proposed Term Loan	-	-	-	-	32.00	IVR BBB-/ Stable

### Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-laxmiinfra-june25.pdf>

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

**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 [www.infomerics.com](http://www.infomerics.com).