



Press Release

Logix Buildtech Private Limited

October 19, 2022

Ratings

SI No	Instrument/Facility	Issue Date	Amount (Rs. Crore)	Tenure	Coupon Rate	Rating	Rating Action	Complexity Indicator
1	NCD	October 27 th 2020	197.41	3 years	4% P.A. up to one year 4% to 8% P.A. - 2 nd year onwards until maturity	IVR B+/Stable Outlook (IVR Single B plus with Stable Outlook)	Reaffirmed	Simple
	Total		197.41					

Details of Facilities are in Annexure 1

Detailed Rationale

The rating reaffirmed to the non-convertible debentures of Logix Buildtech Private Limited (LBPL) derives comfort from its experienced promoters, reputed clientele, and location advantage. The rating strengths are partially offset by significant debt servicing obligations, Refinancing Risk, susceptibility to cyclicalities inherent in the real estate sector and weak financial risk profile of the company.

Key Rating Sensitivities:

Upward Factors

- Timely realisation of company's projected cash inflows along with improvement in profitability metrics thereby leading to overall improvement in cash accruals

Downward Factors



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- Any deterioration in the liquidity position, which may lead to a delay in the debt servicing obligations of the company

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

Experience promoters

LBPL is promoted by Mr. Shakti Nath having vast experience of over two decades in real estate industry. LBPL is part of a Logix group based out of Delhi, formed in year 1997. The Logix group has completed development of over 8 million sq. ft. of IT spaces and Mall. Group has various renowned projects in its portfolio such as Logix Park, Logix Techno Park, Logix cyber park with estimated project area of around 1.3 lakh sqft, 5 lakh sqft and 12 lakh sqft respectively.

Reputed clientele

“Logix city centre” has developed the mall and office towers at sector-32, Noida. Logic city centre has reputed clientele reflected in the presence of renowned international and domestic brands in the client portfolio such as Big Bazaar, Max Lifestyle, Reliance Trends, Subway, Apple, US polo, Hush Puppies and various other brands imparting comfort towards the revenue visibility for the mall building.

Locational Advantage

Logix city centre (LCC) is located at sector-32, Noida. LCC is located at the walking distance from Wave City Centre metro station. The project is just 30KM away from Indira Gandhi International Airport (IGI Airport). Project is near prominent institutions such as Billabong High International School, Ryan International School, etc. major Hospitals such as Sumitra Hospital, Cancer India, Government hospital, District Government Multi-Speciality Hospital, Kailash Hospital, etc are also in the proximity.

Key Rating Weaknesses

Significant debt servicing obligations



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LBPL has sizeable debt servicing obligation of including NCDs of Rs. 1200 crore, which is scheduled to be redeemed in November 2023. As the company is incurring cash losses, the liquidity is likely to remain under pressure.

Refinancing Risk

The company expects refinancing of entire outstanding portion of NCD's of Rs.1200 crore (alongwith interest accrued but not due) prior to their redemption date of November 4th 2023. As the cash flows would not be sufficient to service its debt obligation in FY24, timely refinancing of this debt would be a key rating monitorable.

Susceptibility to cyclicality inherent in the Real Estate sector

The real estate sector is volatile in nature with an inherent liquidity risk associated to it. There may be fluctuations in cash flows due to delayed realization & changes in regulatory requirements. However, the ability of the developers to increase prices without adversely affecting sales in the backdrop of any prolonged increase in raw material prices, and extent of new launches will be key monitorable for the industry.

Weak financial profile

The financial risk profile of the company remained weak marked by net cash loss due to subdued operating performance of the company in FY22. Company has reported leverage capital structure with overall gearing at 11.56x and total indebtedness reflected in TOL/TNW stood at 14.18x as on March 31, 2022.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Infrastructure Companies](#)

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

[Criteria for assigning Rating Outlook](#)

Liquidity: Stretched

The liquidity position of the company is stretched marked by the subdued performance reported by the company for the current fiscal FY22. Further, LBPL's capacity to serve the debt obligations for the outstanding NCDs is susceptible to the regular rental inflow and



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receipts from sale of offices. All the above factors indicate the stretched liquidity position of the company.

About the Company

Logix Buildtech Private Limited (LBPL), incorporated in year 2010, is part of the Logix group incorporated in year 1997, based out of New Delhi. Logix group has track record of completing more than 8 million sq. ft. of IT spaces. Company is engaged into construction, marketing and selling of real estate. LBPL has developed the mall with leasable area of 5.75 lac sq. ft. and corporate towers of area 5.08 lac sq. ft., of which Tower II is expected to get completed by January, 2023. Project is located at Sector-32, Noida.

Financials (Standalone)

(Rs. crore)

For the year ended* / As On	31-03-2021	31-03-2022
	Audited	Audited
Total Operating Income	43.67	72.15
EBITDA	-10.17	10.11
PAT	-61.14	-140.47
Total Debt	1218.80	1232.92
Tangible Net worth	292.37	106.62
EBITDA Margin (%)	-23.29	14.01
PAT Margin (%)	-47.08	-189.75
Overall Gearing Ratio (x)	4.17	11.56
Interest Coverage Ratio (x)	-0.07	0.05

*Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: None

Any other information: Not Applicable

Rating History for last three years:

Sl. No.	Name of Instrument / Facilities	Current Rating (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 October 22, 2021	Date(s) & Rating(s) assigned in 2020-21 October 26, 2020	Date(s) & Rating(s) assigned in 2019-20



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1.	Non-Convertible Debentures	Long Term	197.41	IVR B+/ Stable	IVR B+/ Stable	IVR B+/Stable	-
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About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

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

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Annexure 1: Details of Facilities/Instruments

Name of Facility	Date of Issuance	Coupon Rate/IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
Long Term Facilities- NCD	October 27 th , 2020	4% P.A. up to one year 4% to 8% P.A. -2 nd year onwards until maturity	4 th Nov 2023	197.41	IVR B+/ Stable

Annexure 2: List of companies considered for consolidated analysis: Not Applicable.

Annexure 3: Facility wise lender details: Not applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: 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.