



Press Release

Logix Buildtech Private Limited

October 22, 2021

Ratings

Sl. No	Instrument/Facility	Issue Date	Amount (Rs. Crore)	Tenure	Coupon Rate	Rating	Rating Action
1	NCD	October 22, 2020	199.00	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 B plus with Stable Outlook)	Reaffirmed
	Total		199.00				

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, susceptibility to cyclicity 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

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



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List of Key Rating Drivers with Detailed Description

Key Rating Strengths

Experienced 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 4 million sq. ft. of IT spaces. Group has various renowned projects in its portfolio such as Logix Park, Logix Techno Park, Logix Cyber Park.

Reputed clientele

“Logix City Centre” has developed the mall and office towers at Sector-32, Noida. Logix City Centre has reputed clientele reflected in the presence of renowned international and domestic brands in the client portfolio such as Hypermart, 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-Specialty Hospital, Kailash Hospital, etc are also in the proximity.



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Key Rating Weaknesses

Significant debt servicing obligations

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.

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. The uncertainty pertaining around Covid-19 also dent the demand of commercial as well as residential real estate demand.

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 FY21. Company has reported leverage capital structure with overall gearing at 4.19x and total indebtedness reflected in TOL/TNW stood at 4.66x as on March 31, 2021. Further, company has reported shortfall in the accruals against the debt obligations indicating stretched position of the company to maintain its liquidity.

Analytical Approach: Standalone

Applicable Criteria: As Applicable

Rating Methodology for Infrastructure Companies

Financial Ratios & Interpretation (Non-financial Sector)

Liquidity –Stretched

The liquidity position of the company is stretched marked by the subdued performance reported by the company for the current fiscal FY21. Further, LBPL's capacity to serve the debt



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obligations for the projected NCD is susceptible to the regular rental inflow and receipts from sale of offices. All the above factors indicate the stretched position of the liquidity 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 4 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. Projected is located at Sector-32, Noida.

Financials (Standalone):

For the year ended*	31-03-2020	31-03-2021
	Audited	Provisional
Total Operating Income	96.34	43.67
EBITDA	6.91	-10.17
PAT	-4.51	-61.14
Total Debt	1159.47	1223.79
Tangible Net worth	373.45	292.37
EBITDA Margin (%)	7.17	-23.29
PAT Margin (%)	-2.51	-47.08

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Nil

Any other information: Nil



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Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2021-22)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19
1.	Non- convertible debentures	Long Term	199.00	IVR B+ / Stable	IVR B+ / Stable (October 26, 2020)	-	-

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.

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About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine-tune its product offerings to best suit the market.

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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
Long Term Facilities-NCD	October 22,2020	4% P.A. up to one year 4% to 8% P.A. -2 nd year onwards until maturity (IRR-14% P.A.)	3 years	199.00	IVR B+/ Stable

Annexure 2: Facility wise lender details: Not applicable

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

Annexure 4: Complexity level of the rated Instruments/Facilities

Sr. No	Instrument	Complexity Indicator
1.	Non-Convertible Debenture	Simple

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