



Press Release

Cybercity Builders & Developers Pvt. Ltd

July 28, 2023

Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action	<u>Complexity Indicator</u>
Long Term Fund Based Facilities- Term Loan	480.00	IVR BB+/ ISSUER NOT COOPERATING/ Negative (IVR Double B Plus ISSUER NOT COOPERATING / Negative Outlook)	Revised & Moved to ISSUER NOT COOPERATING Category	Simple
	480.00 (Four Hundred and Eighty Crores Only)			

Detailed Rationale

The change in the ratings assigned to the bank facilities of Cybercity Builders & Developers Private Ltd reflects lack of adequate information available about the performance of the company. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the rating revision.

Note on non-cooperation.

Though the company has initiated sharing partial information, the information requisite for the review is awaited. To comply with the SEBI guidelines on surveillance of rating within the time period, the rating is moved to the Issuer Not Cooperating category and on receipt of all the



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required information and clarification, a detailed rating review as per the latest financial and available information will be carried out.

Availability of information is very critical in rating exercise. In the absence of the relevant information, in consonance with SEBI guidelines, Infomerics has moved the ratings assigned to the bank loan facilities of Cybercity Builders & Developers Private limited aggregating to INR 480.00 crore to the 'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR BB+; ISSUER NOT COOPERATING/ Negative Outlook for the long-term bank facilities.

Analytical Approach: Consolidated

Applicable Criteria

[Rating Methodology for Real Estate Companies](#)

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

[Policy on Issuer not cooperating and surveillance/review of existing rating](#)

[Criteria of assigning Rating Outlook](#)

About the company

Cybercity Builders and Developers Private Limited was incorporated in 2005 at Hyderabad. The Company, along with its subsidiaries and associates, is engaged in the construction of residential & commercial real estate projects and mainly developing residential projects in Hyderabad, Chennai, Visakhapatnam, and Bangalore. It has developed more than 7.5 million sqft of built-up area and an area of ~7 million is under development of saleable area is under construction. The registered office of the Company is situated near Hi-tech City MMTS, Hyderabad.

The Company also has two 5 MW capacity solar power plants, each located in Rajapet SS, Nalgonda District, and Nednoor SS, Ranga Reddy District, with a 25-year offtake agreement with Telangana State Southern Power Distribution Company Limited, starting 2016 [at affixed tariff rate of Rs 6.75 per unit and Rs 6.90 per unit respectively]. The projects are part of the



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state government's solar power policy. Both the projects have been commissioned and are operational as of now.

Mr. Murali Krishna K is the Group Chairman, Mr. Venu Vinod is the Managing Director and Mr. Vijaya Bhaskar Reddy K is the Executive Director. Mrs. Maheswari K and Mr. Srivardhan Reddy are the other Directors.

Financials (Consolidated)*:

(INR crore)

For the year ended* / As on	31-03-2020	31-03-2021
	Audited	Audited
Total Operating Income	268.20	219.83
EBITDA	61.05	54.87
PAT	15.39	19.05
Total Debt	558.93	542.22
Tangible Net worth (Adjusted)	115.33	139.49
EBIDTA Margin (%)	22.76	24.96
PAT Margin (%)	5.34	7.77
Overall Gearing ratio (X)(Adjusted)	4.79	3.85

* Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: : India Ratings continued the ratings for the bank loan facilities of Cybercity Builders & Developers Pvt Ltd under Issuer Not Cooperating category dated 15 May 2023.

Any other information: None

Rating History for last three years:



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Sr. No.	Name of Instrument/ Facility	Current Rating (Year: 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating*	Date(s) & Rating(s) assigned in 2022-23 (May 26, 2022)	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21
1.	Long Term Fund Based Facilities- Term Loan (Outstanding)	Long Term	73.82	IVR BB+/ ISSUER NOT COOPERATING/ Negative	IVR BBB-/ Stable	-	-
2.	Long Term Fund Based Facilities- ECLGS (Outstanding)	Long Term	31.40	IVR BB+/ ISSUER NOT COOPERATING/ Negative	IVR BBB-/ Stable	-	-
3.	Long Term Fund Based Facilities- Term Loan (Proposed)	Long Term	374.78	IVR BB+/ ISSUER NOT COOPERATING/ Negative	IVR BBB-/ Stable	-	-
Total			480.00				

* Issuer did not cooperate; based on best available information

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) 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



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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.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities: Not Applicable

Annexure 2: List of companies considered for consolidated analysis:

Name of the company	Consolidation Approach
Cybercity Builders and Developers Pvt Ltd	100%
Cybercity Mangadu Projects Pvt Ltd	100%
Cybercity Housing Pvt Ltd	100%
Cybercity Infrastructure Pvt Ltd	100%
Cybercity Hallmark Projects	100%
Cyber Homes	100%
Iconica Projects	100%
Fruition India Pvt Ltd	100%
Cybercity Renewable Pvt Ltd	100%
Amaravati Mega International Convention Hub Pvt Ltd	100%
Iconica Gateway Amaravati Pvt Ltd	100%



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Annexure 3: Facility wise lender details: Not Available

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