



Press Release

Ratnabhumi Developers Limited

July 18, 2024

Ratings

Instrument Facility /	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Facilities	100.00	IVR BB/Negative; ISSUER NOT COOPERATING. (IVR Double B with Negative Outlook; ISSUER NOT COOPERATING)	IVR BB+/Negative; ISSUER NOT COOPERATING. (IVR Double B Plus with Negative Outlook; ISSUER NOT COOPERATING)	Downgraded and continues under Issuer Not Cooperating	Simple
Total	100.00(Rupees hundred crore only)				

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

Infomerics Ratings has downgraded its rating assigned to the Bank facilities of Ratnabhumi Developers Limited because of lack of adequate information available about the performance of the company and the uncertainty around its credit risk. 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

Infomerics has repeatedly followed up with the company to provide information to monitor the rating(s) vide e-mail dated, July 04, 2024, July 08, 2024, July 10, 2024, July 12, 2024 along with telephonic conversations. However, despite repeated requests, the company has failed to submit the essential details required for monitoring the ratings. Availability of information is very critical in rating exercise. In the absence of the relevant information, in consonance with SEBI guidelines, the long-term of the bank loan facilities aggregating to Rs. 100.00 Crore of Ratnabhumi Developers Limited shall be moved to 'ISSUER NOT



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COOPERATING' category by Infomerics .The rating is now denoted as IVR BB/ Negative Outlook; ISSUER NOT COOPERATING [pronounced IVR Double B with Negative Outlook; ISSUER NOT COOPERATING].Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Real-estate Companies](#)

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

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition and Post-Default Curing Period](#)

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

About the Firm

Ratnabhumi Developers Limited (RDL), a real estate developer, incorporated on 27 July 2007, is a part of Ahmedabad based, Ratna Group. The Ratna Group was founded by Mr. Jitendra Shah in the early 1980s and has an experience in the real estate industry for over three decades. The experience of the group varies from land acquisition, authority liasoning, planned development, identification of project types and locations to construction development and maintenance of projects commissioned under residential/ commercial/ retail/ plotting or industrial. The group has, completed 22 projects, both commercial and residential inclusive, with combined construction area of 18,55,566 square feet. RDL, initially 'Navratna CG Road Properties Private Limited' changed its named to 'Ratnabhumi Developers Private Limited' in 2009 and went on to become public in 2017 as 'Ratnabhumi Developers Limited'. Mr. Kaivan Shah, son of Mr. Jitendra Shah, is the chairman of the group, having vast experience in commercial and residential real estate construction and related matters.



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Financials Standalone:

For the year ended/ As on*	(Rs. crore)	
	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	0.66	0.51
EBITDA	7.38	15.79
PAT	0.23	0.32
Total Debt	109.06	190.40
Tangible Net Worth	13.70	13.70
EBITDA Margin (%)	NM	NM
PAT Margin (%)	34.33	24.62
Overall Gearing Ratio (x)	3.12	5.43
Interest Coverage (x)	1.05	1.02

* 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:

Sr. No.	Name of Security /Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-2024	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022
					Date (August 18, 2023)	Date (July 27, 2022)	Date (Month xx, 2022)
1.	Term Loans	Long	100.00	IVR BB/Negative Outlook; ISSUER NOT COOPERATING	IVR BB+/Negative Outlook; ISSUER NOT COOPERATING	IVR BBB-/Stable	
Total			100.00				

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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 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 and definition of ratings please 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.



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Annexure 1: Instrument/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	-	-	-	March 2026	100.00	IVR BB/Negative/INC

Annexure 2: Facility wise lender details : Not Applicable

Annexure 3: Detailed explanation of covenants of the rated Security/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.