



Press Release

RAAGA MAYURI BUILDERS PRIVATE LIMITED

June 07, 2023

Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	21.50	ACUITE BB Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	21.50	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating of '**ACUITE BB**' (read as **ACUITE double B**) on the Rs. 21.50 Cr bank facilities of Raaga Mayuri Builders Private Limited (RMBPL).

This rating is now an indicative rating and is based on the best available information.

About the Company

Raaga Mayuri Builders Private Limited (RMBPL), incorporated in 27th of December, 2002, is a Kurnool (Andhra Pradesh) based real estate developer involved in constructing residential and commercial projects and leasing activities. RMBPL is promoted by Mr Konikanti Janardhana Reddy Ms Vanipenta Mani Reddy. RMBPL has completed more than 31 projects in and around Kurnool and Hyderabad city, totaling around 2.5 million Sq. feet (mnsf) including residential and commercial buildings. RMBPL also has entered into long term lease agreements with reputed clientele like, Narayana Educational Society, NSPIRA Management Services Private Limited, Ramesh Hospitals with the total leasable area of ~2.00 lakh square feet leasable area. These agreements have a tenure ranging from 10-20 years with price escalation of 5 per cent.

Non-cooperation by the issuer/borrower

Acuite has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 03 consecutive months. Acuite has also been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer not cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Limitation regarding information availability

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite has endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities

No information provided by the issuer / available for Acuite to comment upon.

Material Covenants

None

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook

None

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 22 (Provisional)	FY 21 (Actual)
Operating Income	Rs. Cr.	37.99	35.30
PAT	Rs. Cr.	1.59	1.34
PAT Margin	(%)	4.19	3.80
Total Debt/Tangible Net Worth	Times	0.80	0.74
PBDIT/Interest	Times	2.75	3.11

Status of non-cooperation with previous CRA

Not Applicable

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Real Estate Entities: <https://www.acuite.in/view-rating-criteria-63.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
18 Jul 2022	Lease Rental Discounting	Long Term	13.00	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	2.50	ACUITE BB Stable (Assigned)
	Proposed Bank Facility	Long Term	6.00	ACUITE BB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Canara Bank	Not Applicable	Lease Rental Discounting	Not Applicable	Not Applicable	Not Applicable	Simple	13.00	ACUITE BB Reaffirmed Issuer not co- operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	6.00	ACUITE BB Reaffirmed Issuer not co- operating*
Canara Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	2.50	ACUITE BB Reaffirmed Issuer not co- operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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