

Press Release
R S FORTUNES LLP
February 06, 2026
Rating Assigned



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	185.00	ACUITE BB+ Stable Assigned	-
Total Outstanding Quantum (Rs. Cr)	185.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has assigned its long-term rating of '**ACUITE BB+**' (**read as ACUITE double B plus**) on the Rs. 185.00 Cr. bank loan facilities of R S Fortunes LLP. The outlook is '**Stable**'.

Rationale for rating assigned

The assigned rating reflects the established promoter profile of R S Fortunes LLP, backed by the Raichandani Group's long-standing presence in the real estate sector and its demonstrated track record in executing sizeable residential and commercial developments across multiple cities. The rating also factors in the progress achieved in the Raichandani HQ project, supported by steady promoter contribution, alongside an organised funding structure comprising promoter funds, sanctioned bank limits, and future collections. However, the rating is constrained by high project execution risk in Raichandani HQ commercial project with ~ 64.35 percent work pending completion, with moderate sales velocity as ~75.86 percent of inventory yet to be sold, and the project's dependence on timely customer collections to meet construction commitments and debt-servicing requirements. The entity remains exposed to sectoral cyclical and demand-linked risks.

About the Company

M/s R S Fortunes LLP is a Hyderabad-based real estate firm that originally operated as R S Constructions since 2012, was renamed as R S Fortunes on 16 October 2023, and was subsequently converted into R S Fortunes LLP on 31 May 2024. It forms part of the Raichandani Group, a prominent developer with a strong presence in Hyderabad and other key cities. The firm is engaged in the construction, sale, and leasing of residential and commercial properties. It is a family-owned enterprise managed by experienced partners—Rajkumar Raichandani, Anil Raichandani, Kunal Raichandani, Pratik Raichandani, and Sunil Raichandani.

Unsupported Rating

Not applicable

Analytical Approach

Acuite has considered the standalone business and financial risk profile of R S Fortunes LLP to arrive at the rating

Strengths

Established track record of operations

R S Fortunes LLP, formerly R S Constructions, is a Hyderabad-based real estate developer within the Raichandani Group, which has established a strong presence across Hyderabad and other major cities. The group has built a notable track record over the past two decades, completing over 20.99 lakh sq. ft. of residential and commercial projects, demonstrating robust execution capabilities and consistent delivery standards. It is currently undertaking over 22.81 lakh sq. ft. of ongoing developments. Supported by a successful track record of timely execution, quality delivery and stable operations across business segments, Raichandani group has progressively scaled up its operations and continues to undertake larger residential and commercial developments, further strengthening its brand equity in its core operating markets.

Locational advantage of the project

Raichandani HQ is strategically located at Narsingi, Hyderabad, with close proximity to key IT hubs such as Gachibowli and HITEC City. The project is positioned within the Narsingi-Kokapet commercial micro-market, which has witnessed steady demand from IT/ITeS and corporate occupiers, supported by improving road connectivity through the ORR and ongoing infrastructure development.

Weaknesses

High Project execution and offtake risk

The ongoing commercial development Raichandani HQ encompasses a total saleable area of 6,53,450 sq. ft., consisting of 580 retail-cum-office units, with an overall project cost of Rs. 473.99 crore. The project is being financed through a combination of promoter contribution of Rs. 171.15 crore (including unsecured loans), a term loan of Rs. 185.00 crore, and the balance from customer advance collections. As of 30 November 2025, the firm has incurred Rs. 169.62 crore, reflecting 35.65% physical progress, and has sold 140 units, covering 1,50,995 sq. ft., supported by Rs. 79.42 crore in customer advances and Rs. 35.39 crore in pending receivables. As of November 2025, ~24.14 percent of the units sold, thus exposing the firm to high offtake risk. Acuité notes that timely promoter infusion, orderly drawdown of the sanctioned term loan, and continued realisation of customer advances will remain critical monitorable for ensuring the project's financial and operational stability.

Susceptibility to Real Estate Cyclical and Regulatory Risks

The real estate industry in India is highly fragmented with most of the real estate developers, having a city specific or region-specific presence. The risks associated with real estate industry are cyclical in nature and directly linked to drop in property prices and interest rate risks, which could affect the operations. Given the high level of financial leverage, the high cost of borrowing prevents the real estate's developers' from significantly reducing prices to boost sales growth. Moreover, the industry is also exposed to certain regulatory risks linked to stamp duty and registration tax directly impacting the demand and thus the operating growth of real estate players.

Rating Sensitivities

- Timely completion of the project development
- Timely sale of unsold inventory and realisation of its customer advances
- Healthy realization of customer advances pending from sold inventory
- Any sharp decline in cash flow due to slower customer advances or delays in project

Liquidity Position

Adequate

The liquidity position of R S Fortunes LLP remains adequate, supported by steady inflows from

customer advances and promoter funding toward the Raichandani HQ project. Liquidity is further strengthened by healthy receivables from sold units and the availability of sanctioned bank facilities, which are expected to meet the balance construction and servicing requirements. The project also benefits from a RERA-compliant escrow mechanism, ensuring disciplined financial management and controlled utilisation of project inflows. The projected average debt service coverage ratio (DSCR) for "Raichandani HQ" over the loan tenure is expected to remain at 1.50 times during the tenor of the loan.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	30.79	48.90
PAT	Rs. Cr.	1.18	0.89
PAT Margin	(%)	3.82	1.83
Total Debt/Tangible Net Worth	Times	4.10	3.39
PBDIT/Interest	Times	7.50	6.56

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

None

Applicable Criteria

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

Not Applicable

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Canara Bank	Not avl. / Not appl.	Term Loan	01 Sep 2025	Not avl. / Not appl.	01 Aug 2030	185.00	Simple	ACUITE BB+ Stable Assigned

Contacts

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About Acuité Ratings & Research

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