



Press Release

Cybercity Builders & Developers Private Limited

May 08, 2025

Rating

Security Facility /	Amount (Rs. crore)	Current Rating	Previous Rating	Rating Action	Complexity Indicator
Long Term Bank Facilities (including proposed limit of Rs.436.89 crore)	480.00	IVR BBB-; Stable (IVR Triple B Minus with Stable Outlook)	IVR BB+; Negative; ISSUER NOT COOPERATING* (IVR Double B Plus with Negative outlook; ISSUER NOT COOPERATING)	Rating upgraded, outlook revised and removed from ISSUER NOT COOPERATING category	Simple
Total	480.00 (Rupees four hundred and eighty crore only)				

*Issuer did not cooperate; based on best available information

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 removed the rating assigned to the bank facilities of Cybercity Builders & Developers Private Limited (CBDPL) from ISSUER NOT COOPERATING category based on adequate information received from the company to review its rating.

The upgrade of the rating assigned to the bank facilities of CBDPL continues to derive comfort from experienced management, established track record of project execution and operations, healthy sales velocity in the completed project's inventory, healthy revenue visibility and expected improvement in the scale of operations and satisfactory financial risk profile. However, these rating strengths are partially offset by geographical concentration risk, exposure to inherent cyclicity in real estate industry and execution and project completion risks associated with upcoming projects.

The stable outlook reflects expected stable performance of the company in view of satisfactory progress in its ongoing project coupled with healthy demand of quality real estate.

Key Rating Sensitivities:

Upward Factors



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- Timely completion of the project with no cost overruns and stabilization of operations with current booking rate or higher
- Significant reduction in debt level through prepayments

Downward Factors

- Any time and cost overrun impacting the cashflow as projected
- Any further increase in debt level or yearly repayment obligation

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Experienced management**

The promoters have been active in the real estate sector for more than two decades. The promoters are resourceful and have the ability to extend funds on a need basis. Cybercity is one of the established realty brands in Hyderabad and has developed more than 8 million sqft of built-up area as of now. It has traditionally been able to achieve healthy sales tie-up at the launch of their projects because of the demonstrated execution capability and good project locations.

- **Established track record of project execution and operations performance**

Cybercity group is one of the established realty brands in Hyderabad and has been operating for than 15 years. The group has delivered more than 8 million sqft of built-up area. Rainbow Vistas @ Rock Garden, Hyderabad is a flagship project of Cybercity, of which the Phases 2A, 2B, 2C, 2D are fully completed and almost sold out. Project Marina Skies, is also fully completed. Project Oriana, Project West Brooke, Project R45 and Project R36, Trevita and Villa Project are the main ongoing projects in Hyderabad. Mangadu Villas and Mangadu Apartments are the ongoing project in Chennai. The group has also 2 upcoming new projects at Moosapret Hyderabad.

- **Healthy sales velocity in the completed project's inventory**

The group has sold 4490 units (~62%) of its total units of 7191 units (including apartment and plots). The group currently has 10 ongoing/upcoming projects out of which 2 projects are in the initial stage of development. The projects which are at advanced stage of development are expected to result in steady cash flows improving their debt servicing ability.

- **Healthy revenue visibility and expected improvement in the scale of operations**



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The group has realized ~Rs. 3960 Cr (~88%) of its total booked sales of ~Rs. 4502 Cr and the balance of ~Rs. 542 Cr have been estimated to be realized. Hence, considering current receivable position, expected sale revenue of ~ Rs. 5507 Cr and estimated completion period of 5 years across all its projects, the group has revenue visibility of ~ Rs. 6004.47 Cr for the next 5 years (Financial Year). The group has delivered more than 8 million sqft of built-up area till date and the scale of operations remained moderate as per the FY24. On a consolidated basis, the group has reported total operating income of Rs. 768.40 Cr in FY24 as against Rs. 395.22 Cr in FY23. EBITDA and PAT for FY24 were Rs. 140.23 Cr and Rs. 19.21 Cr respectively against Rs. 127.44 Cr and Rs. 29.25 Cr for FY23.

- **Satisfactory Financial Risk Profile**

Net worth has improved and stood at Rs. 190.81 Cr as on 31 March 2024. The improvement is on account of retention of profits and increased value of non-Controlling interests. Gearing ratio, on consolidated basis, continues to be high as reflected by 5.01 times as on 31 Mar 2024 as against 3.90x as on March 31, 2023. The moderation in gearing is on account of increase in term debt. Debt protection stood moderate as marked by the DSCR and ISCR of 1.09 times and 1.42 times as on 31 Mar 2024. However, cash flow cover for FY26 stands at 1.15 times and average cash cover for the five years stands at 1.29 times, indicating adequate repayment coverage.

- A. Key Rating Weaknesses**

- **Geographical concentration risk**

The group currently has projects in Hyderabad and Chennai and is exposed to geographic concentration as over 93% of their total saleable area comes from the Hyderabad real estate market. However, the ongoing/upcoming projects in Chennai mitigate this risk to some extent. Any adverse movement in the Hyderabad real estate market may adversely impact the sales and collections of the company at least in the short to mid-term.

- **Exposure to inherent cyclicity in real estate industry**

The real estate sector is marked by volatile prices and a highly fragmented market structure because of the presence of a large number of regional players. In addition, being a cyclical industry, the real estate sector is highly dependent on macro-economic factors, which in turn render the company's sales vulnerable to any downturn in demand. The risks are heightened by the high geographical concentration risks as most of the ongoing and completed projects are in Hyderabad.



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- **Execution and project completion risks associated with upcoming projects**

The construction cost for the ongoing projects and future projects are funded through a mix of debt and customer advances. Any delay in funding would pose a challenge in timely execution of projects. Dependence on customer advances also exposes the company to cash flow mismatches. The projects of the Company are in varying stages of development. Project execution & completion, without any time and cost over-run, would be a key monitorable.

Analytical Approach: Consolidated

For arriving at the rating, Infomerics has taken the consolidated approach by combining the business and financial risk profiles of Cybercity Builders and Developers Pvt Ltd, and its subsidiaries, associates and joint ventures as all the entities, collectively referred to as the Cybercity Group, have significant managerial, operational, and financial linkages. Cybercity Builders and Developers Pvt Ltd is the parent company and entities in the group includes Cybercity Mangadu Projects Pvt Ltd, Cybercity Housing Pvt Ltd, Cybercity Hallmark Projects, Cyberhomes, Cybercity Oriana, Cybercity Tattva LLP, Cybercity Blue Edge LLP, Cybercity Phase 5 LLP and Cybercity Phase 6 LLP, Fruition India Pvt Ltd, Cybercity Renewable Pvt Ltd, Jeedimetla Residential Homes Private Limited, Amaravati Mega International Convention Hub Pvt Ltd, Iconica Gateway Amaravati Pvt Ltd. The list of companies considered for consolidation are given in **Annexure 4**.

Applicable Criteria:

[Rating Methodology for Real Estate Companies](#)

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

[Criteria of assigning rating outlook](#)

[Consolidation of companies](#)

[Policy of default recognition](#)

[Criteria on complexity](#)

Liquidity – Adequate

The group maintains moderate cash and bank balance to meet its liquidity requirements. The liquidity position looks adequate with the cash cover above unity over FY25 Estimated and FY26-FY29 Projections. The overall liquidity position of the group is adequate.

About the Company



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Cybercity Builders and Developers Private Limited, the flagship company of Cybercity as a group, 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 is mainly developing residential projects in Hyderabad, Chennai, Visakhapatnam, and Bangalore. 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 a fixed tariff rate of Rs 6.75 per unit and Rs 6.90 per unit respectively]. The projects are part of the state government's solar power policy. Both the projects have been commissioned and are operational as of now.

About the Group

Cybercity group is primarily engaged in the construction of residential & commercial real estate projects and 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 as of now. The group land bank of more than 500 acres and has six major ongoing residential projects in Hyderabad which includes Rainbow Vistas - Rock Garden, Marina Skies, Oriana, Westbrook, Project R45 and Project R36. Sreeja Meadows is the current ongoing project in Chennai and is being developed under Cybercity Housing Pvt Ltd. Iconica Grande is the ongoing project in Visakhapatnam. Additionally, the group is associated with Shriram Properties for development of residential projects named Shriram Greenfield and Shriram 107 South East in Bangalore. 2 projects Divine City (Apartments) and Mangadu Commercial have been taken over by Shriram Properties. Another unnamed Phase 5 project which the group expected to execute is currently on hold due to issue in JDA.

Financials (Consolidated):

For the year ended/ As on*	(Rs. crore)	
	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	395.22	768.40
EBITDA	127.44	140.23
PAT	29.25	19.21
Total Debt	667.13	955.12
Tangible Net Worth	171.16	190.81
EBITDA Margin (%)	32.24	18.25
PAT Margin (%)	7.16	2.48



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Overall Gearing Ratio (x)	3.90	5.01
Interest Coverage (x)	1.24	1.42

* Classification as per Infomerics' standards.

Financials (Standalone):

(Rs. crore)

For the year ended/ As on*	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	73.16	188.17
EBITDA	33.85	26.05
PAT	22.84	4.85
Total Debt	56.21	108.50
Tangible Net Worth	138.59	145.66
EBITDA Margin (%)	46.26	13.84
PAT Margin (%)	30.62	2.54
Overall Gearing Ratio (x)	0.41	0.74
Interest Coverage (x)	3.70	1.92

* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: The ratings of Cybercity Builders & Developers Private Limited (CBDPL) has been continued to be classified under ISSUER NOT COOPERATING category by India Ratings & Research as per Press Release dated April 10, 2025, and by Brickwork Ratings as per Press Release dated September 12, 2024, due to unavailability of information.

Any other information: Nil

Rating History for last three years:

Sr. No	Name of Security/Facilities	Current Ratings (Year 2025-2026)				Rating History for the past 3 years			
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24		Date(s) & Rating(s) assigned in 2022-23
					April 23, 2025	-	Jan 29, 2024	Jul 28, 2023	May 26, 2022
1.	Term Loan	Long Term	43.11	IVR BBB-; Stable	IVR BB+; Negative; ISSUER NOT COOPERATING	-	IVR BBB-; Stable	IVR BB+; Negative; ISSUER NOT COOPERATING	IVR BBB-; Stable
2.	Proposed Term Loan	Long Term	436.89	IVR BBB-; Stable	IVR BB+; Negative; ISSUER	-	IVR BBB-; Stable	IVR BB+; Negative; ISSUER	IVR BBB-; Stable



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Sr. No	Name of Security/Facilities	Current Ratings (Year 2025-2026)				Rating History for the past 3 years			
		Type (Long Term/ Short Term)	Amount outstanding (Rs. Crore)	Rating	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24		Date(s) & Rating(s) assigned in 2022-23
					April 23, 2025	-	Jan 29, 2024	Jul 28, 2023	May 26, 2022
					NOT COOPERATING			NOT COOPERATING	

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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt Ltd] 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.

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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: 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	-	-	-	Jun 2029	43.11	IVR BBB-; Stable
Proposed Term Loan	-	-	-	-	436.89	IVR BBB-; Stable

Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Len-Cybercity-Builders-8may25.pdf>

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

Annexure 4: List of companies considered for consolidated/Combined analysis:

Name of the company	Consolidated Approach
Cybercity Builders and Developers Pvt Ltd	Full Consolidation
Cybercity Housing Pvt Ltd	Full Consolidation
Cybercity Mangadu Projects Pvt Ltd	Full Consolidation
Cybercity Hallmark Projects	Full Consolidation
Cyberhomes	Full Consolidation
Cybercity Oriana	Full Consolidation
Cybercity Tattva LLP	Full Consolidation
Cybercity Blue Edge LLP	Full Consolidation
Cybercity Phase 5 LLP	Full Consolidation
Cybercity Phase 6 LLP	Full Consolidation
Fruition India Pvt Ltd	Full Consolidation
Cybercity Renewable Pvt Ltd	Full Consolidation
Jeedimetla Residential Homes Private Limited	Full Consolidation
Amaravati Mega International Convention Hub Pvt Ltd	Full Consolidation
Iconica Gateway Amaravati Pvt Ltd	Full Consolidation

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.