



Press Release

Rattha Holding Company Private Limited

December 21, 2023

Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities – LRD Loans	465.00	IVR BB+/ Negative Outlook; ISSUER NOT COOPERATING (IVR Double B Plus with Negative Outlook; placed under ISSUER NOT COOPERATING)	Downgraded from IVR BBB / Stable Outlook [IVR Triple B with Stable Outlook] and moved to Issuer Not Cooperating category	Simple
Total	465.00 (Rupees Four Hundred & Sixty-Five Crore Only)			

**Issuer did not cooperate; based on best available information*

Details of Facilities are in Annexure 1

Detailed Rationale

The revision in the ratings assigned to the bank facilities of Rattha Holding Company Private Limited reflects lack of adequate information available 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 this rating may not adequately reflect the credit risk profile of the entity.



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Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications dated November 22, 2023, December 08, 2023, December 14, 2023, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the requested information for monitoring the ratings.

Availability of information is very critical in the rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to review the rating based on the best available information. Accordingly, the ratings for the bank facilities of Rattha Holding Company Private Limited aggregating Rs. 465 crore has been migrated to 'ISSUER NOT COOPERATING' category by Infomerics.

Analytical Approach: Standalone Approach

Applicable Criteria:

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

[Criteria of assigning Rating outlook](#)

[Rating Methodology for Infrastructure companies](#)

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

[Default Recognition Policy](#)

About the company

Rattha group has presence in Clothing, Hospitality, Healthcare, Infra & Housing Development, Co-Workspaces. The group diversified into development of IT parks, SEZ's and the smart office spaces on one hand and the residential projects on the other under M/s. Rattha Holding Company Pvt. Ltd. which was incorporated in September 2004 in Chennai. The company was established with an objective to acquire, promote, construct, develop, etc residential or commercial including Industrial and Info Tech Parks & to carry on any business of Investment Company, Real Estate, Software Tech Park and others.

The company is operating two IT parks namely, Tek Meadows and Tek Towers in OMR (Old Mahabalipuram Road – Chennai) and has invested in Rattha Somerset Greenways, Aether Space Development and Grande City Development.



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Financials (Standalone):

For the year ended/ As on*	INR in Crore	
	31-03-2021 (Audited)	31-03-2022 (Audited)
Total Income	55.30	52.37
EBITDA	42.77	34.00
PAT	-4.52	-9.57
Total Debt	486.84	482.42
Adjusted Tangible Net Worth	40.84	31.93
EBITDA margin (%)	77.34	64.94
PAT margin (%)	-7.58	-17.12
Adjusted Overall Gearing Ratio (times)	11.03	13.97

* Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: None

Any other information: Nil

Rating History for last three years:

Sr. No	Name of Instrument/ Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21
1.	LRD Loans	Long term (LRD Loans)	465.00	IVR BB+/ Negative Outlook; Issuer Not Co-operating	IVR BBB/ Stable (PR: November 24, 2022)	-	-

*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 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.



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Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. crore)	Rating Assigned/ Outlook
Long Term Fund Based Facility – LRD Loans	-	-	March-2037	365.00	IVR BB+/Negative outlook; ISSUER NOT COOPERATING* (IVR Double B plus with Negative outlook; Issuer Not Cooperating) *
				100.00	

**Issuer did not cooperate; based on best available information*

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details: Not Applicable

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