



Press Release

Sonam Homes Private Limited

December 27, 2023

Ratings

Facilities	Amount (INR crore)	Ratings	Rating Action	Complexity Indicator
Long Term Bank Facility	140.00	IVR BB+/ Negative ISSUER NOT COOPERATING* (IVR Double B Plus with Negative Outlook Issuer Not Cooperating)	Revised from IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook) and moved to Issuer Not Cooperating category	Simple
Total	140.00 (One hundred and forty crore rupees)			

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

Details of Facilities are in Annexure 1

Detailed Rationale

The rating revision is because of lack of adequate information regarding Sonam Homes Private Limited's (SHPL) performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the company 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 company.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data & NDS to monitor its assigned rating to the bank facility, vide e-mail communications dated September 11, 2023, October 12, 2023, December 04, 2023, December 12, 2023, December 14, 2023, December 15, 2023 and concurrently over several phone calls. However, despite



Press Release

repeated requests by Infomerics, the company's management has not submitted surveillance fees and all the essential details required for detailed review of the assigned ratings.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term rating of the bank loan facility aggregating to INR 140.00 crore of Sonam Homes Private Limited (SHPL) shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the long term rating will be at 'IVR BB+/ Negative ISSUER NOT COOPERATING' based on best available information (IVR Double B Plus with negative outlook Issuer Not Cooperating based on best available information). Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

Analytical Approach & Applicable Criteria: Consolidated

For arriving at the rating, Infomerics has taken a consolidated approach for the purpose of analyzing the business and financial performance of the Company. It has combined the business and financial risk profiles of Sonam Homes Private Limited and its group company, Sonam Builders on account of common management. Further, the surplus generated from the project, Indraneel of Sonam Builders shall be utilized for the Indradhanush project of Sonam Homes Private Limited.

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

[Rating Methodology for Real Estate Entities](#)

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

[Criteria of Assigning Rating Outlook](#)

About the Company and the Group

Sonam Homes Private Limited (SHPL) was incorporated in the year 2018. It is a part of Sonam Group. At present, SHPL is engaged in the development of one residential cum commercial project namely Indradhanush having saleable area of 452610 sq ft at Mira-Bhayander. The project comprises of 350 residential units and 14 commercial units. It offers amenities such as Sky Gym, Swimming Pool, Jogging Track, Library, Shopping Plaza etc.



Press Release

Sonam Builders (SB) is a partnership firm established in 1991 by Mr. Mithalal R Jain and his son, Mr. Bharat M. Jain. The firm started with construction of single buildings until 1992. At present, Sonam Builders is engaged in the development of a residential cum commercial project, Indraneel, comprising of 130 residential and 31 commercial units. The total saleable residential area is 2,11,152 square feet while the total saleable commercial area is 14,060 square feet. All modern amenities are included in the project.

Financials (Consolidated)

(INR Crore)

For the year ended* / As On	31-03-2021	31-03-2022
	Audited	Audited
Total Income	95.20	92.00
EBITDA	21.83	22.68
PAT	1.80	11.21
Total Debt	218.96	228.63
Tangible Net worth	187.27	219.54
EBITDA Margin (%)	22.93	24.65
PAT Margin (%)	1.84	11.78
Overall Gearing Ratio (x)	0.63	0.40

* As per Infomerics Standard

Financials (Standalone)

(INR Crore)

For the year ended* / As On	31-03-2021	31-03-2022
	Audited	Audited
Total Income	0.34	0.10
EBITDA	0.03	0.03
PAT	0.03	0.03
Total Debt	90.97	118.81
Tangible Net worth	36.08	56.47
EBITDA Margin (%)	9.16	31.94
PAT Margin (%)	9.41	31.49
Overall Gearing Ratio (x)	1.51	1.10

* As per Infomerics Standard

Status of non-cooperation with previous CRA: Nil



Press Release

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (November 30, 2022)	Date(s) & Rating(s) assigned in 2021-22 (September 02, 2021)	Date(s) & Rating(s) assigned in 2020-21
1.	Term Loan	Long Term	140.00	IVR BB+/ Negative ISSUER NOT COOPERATING*	IVR BBB-/Stable	IVR BBB-/Stable	-

* 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



Press Release

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.

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan	-	-	Sept 2026	140.00	IVR BB+/ Negative ISSUER NOT COOPERATING*

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

Annexure 2: Facility wise lender details: Not Applicable

Annexure 3: List of entities considered for consolidated analysis:

Name of the entity	Consolidation approach
Sonam Homes Private Limited	Full consolidation
Sonam Builders	Full consolidation

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