



## Press Release

### Sugee Realty & Developers (India) Private Limited

October 31, 2022

#### Ratings

Instrument/ Facilities	Amount (Rs. crore)	Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Issuer Rating	Not applicable	IVR BB+ (Is); Issuer Not Cooperating* (IVR Double B Plus (Is); Issuer Not Cooperating*)	Revised from IVR BBB-(Is)/ Stable (IVR Triple B Minus (Is) with Stable Outlook) and moved to ISSUER NOT COOPERATING category	Not applicable

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

**Details of Facilities are in Annexure 1**

#### Detailed Rationale

The revision in the Issuer Rating of Sugee Realty & Developers (India) Private Limited (SRDIPL) 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 lender, 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.

#### Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned Issuer Rating vide mail communications dated August 1, 2022, August 17, 2022, October 3, 2022, October 13, 2022, and October 17, 2022, 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 rating.

Availability of information is very critical in 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 Issuer Rating assigned to SRDIPL has been moved to the 'ISSUER NOT COOPERATING' category by Infomerics.



## Press Release

### **Analytical Approach:** Consolidated

For arriving at the ratings, Infomerics has taken a consolidated approach for the entity to be rated SRDIPL basis that this company is the holding company for following entities (mentioned below) and also have a common management and promoters, largely the Deshmukh family and have linkages with the parent company.

The extent of consolidation is full.

- SRDIPL
- Sugee Eight Developers LLP (SEDLLP)
- Sugee Seven Developers LLP (SSDLLP)
- Saumya Buildcon Pvt Ltd (SBPL)
- Sugee Twelve Developers LLP (STDLLP)
- Sugee Developers Pvt Ltd (SDPL)
- Sugee Ten Developers LLP

### **Applicable Criteria:**

[Criteria on consolidation of companies](#)

[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 Group**

Sugee group is engaged in real estate business since 2006. The group focuses on the redevelopment of housing projects, affordable apartments and second homes in Maharashtra.

### **About the Company**

Mumbai based SRDIPL was incorporated in the year 2016. It is a closely held company held by the Deshmukh Family members and a part of Sugee Group. SRDIPL is engaged in real estate development business. SRDIPL has been promoted by the Mr. Nishant S. Deshmukh and Mr. Subhash V. Deshmukh. SRDIPL is the holding company of SEDLLP, SSDLLP, SBPL, STDLLP, SDPL and Sugee Ten Developers LLP.



## Press Release

### Financials (Consolidated):

(Rs. crore)

For the year ended / As On*	31-03-2019 (Audited)	31-03-2020 (Audited)
Total Operating Income	68.12	90.06
EBITDA	7.24	9.50
PAT	5.89	1.73
Total Debt	171.06	166.57
Tangible Networkth	16.25	21.16
<b>Ratios</b>		
EBITDA Margin (%)	10.62	10.55
PAT Margin (%)	7.93	1.85
Overall Gearing Ratio (x)	34.77	18.15

\*Classification as per Infomerics' standards

**Status of non-cooperation with previous CRA:** Nil

**Any other information:** Nil

### Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 (August 14, 2021)	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20
1.	Issuer Rating	Not applicable	Not applicable	IVR BB+ (Is); Issuer Not Cooperating*	IVR BBB- (Is)/ Stable	-	-

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

### Name and Contact Details of the Rating Analyst:

Name: Nilesh Gupta	Name: Niriksha Gupta
Tel: (022) 62396023	Tel: (022) 62396023
Email: <a href="mailto:nilesh.gupta@infomerics.com">nilesh.gupta@infomerics.com</a>	Email: <a href="mailto:niriksha.gupta@infomerics.com">niriksha.gupta@infomerics.com</a>

**About Infomerics:**



## Press Release

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations.

For more information visit [www.infomerics.com](http://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, suspend 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 Instruments/ Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Issuer Rating	Not applicable	Not applicable	Not applicable	Not applicable	IVR BB+ (Is); Issuer Not Cooperating*

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

### Annexure 2: List of companies considered for consolidated analysis:

Name of the entities	Consolidated Approach
SRDIPL	Full Consolidation
SEDLLP	Full Consolidation
SSDLLP	Full Consolidation



## Press Release

Name of the entities	Consolidated Approach
SBPL	Full Consolidation
STDLLP	Full Consolidation
SDPL	Full Consolidation
Sugee Ten Developers LLP	Full Consolidation

**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:** Not applicable