



## Press Release

### Venus Infrastructure and Developers Private Limited

July 03, 2025

#### Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities-LRD Facility**	71.67	IVR BBB/ Stable (IVR Triple B with Stable outlook)	IVR BBB-/ Negative; ISSUER NOT COOPERATING* (IVR Triple B Minus with Negative Outlook; ISSUER NOT COOPERATING*)	Rating upgraded, Outlook revised and removed from ISSUER NOT COOPERATING category	Simple
Long Term Bank Facilities-LRD Facility**	67.91	IVR BBB/ Stable (IVR Triple B with Stable outlook)	-	Rating Assigned	Simple
Short Term Bank Facilities	11.51	IVR A3 (IVR A Three)	-	Rating Assigned	Simple
<b>Total</b>	<b>151.09</b>	<b>(Rupees One Hundred Fifty-One crore Nine Lakh only)</b>			

**\*\*LRD-Lease Rental Discounting**

**\*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 upgraded/assigned its rating to the bank facilities of Venus Infrastructure and Developers Private Limited (VIDPL) as it derives comfort from experienced promoters and management team, location advantage and renowned lessees minimising counter party risk, maintenance of Debt Service Reserve Account (DSRA) and escrow account. However, these rating strengths remain partially offset by renewal risk of lease agreements and susceptibility to cyclical risk inherent in the real estate sector.

The outlook is 'Stable', supported by experienced promoters and established track record in the real estate industry.



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### Key Rating Sensitivities:

#### Upward Factors

- Renewal of upcoming expiring lease at higher than present rates along with more favorable terms leading to generation of more than expected cash.

#### Downward Factors

- Non- renewal/ fresh tie-ups at competitive rates upon the expiry of lease tenor/ termination of lease agreement with any of the major tenants leading to reduction in occupancy rates and/or cash surplus

### List of Key Rating Drivers with Detailed Description

#### Key Rating Strengths

- **Location advantage and Renowned Lessees.**

The commercial building, Stratum Venusgrounds is located at Nehrunagar, Ahmedabad which is a popular business centres/IT parks for the MNCs including Pinnacle Business Park, Westgate Business Bay, Parshwanath Business Park, and Software Technology Parks of India. Apart from its strategic location, its close proximity to Ahmedabad Airport is an added advantage. The commercial building lessees are reputed companies like Reliance – Trends/Digital/Smart/Azorte, and Smartworks coworking spaces private limited which minimizes counter party risks.

- **High revenue visibility on account of lock in period of 9 years.**

Out of the total leasable area of 3,43,307 sq. ft., 2,02,789 sq. ft. has been leased out, with a lock-in period of 9 years for the majority of tenants. The lease agreements include periodic rent escalations, annually or once every three years, at rates ranging from 5% to 10%. This ensures high visibility and stability of cash flows over the medium to long term, thereby supporting the credit profile.

- **Maintenance of DSRA and Escrow Account**

The rated facility is backed by an escrow arrangement and stipulates maintenance of Debt Service Reserve Account (DSRA) equivalent to 3 month's principal and interest. As per the escrow mechanism, the lessee would directly deposit the monthly lease rentals in the



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bank on a monthly basis based on the pay-in dates as per the lease agreements and the fund will be utilised as per the cash flow ring fencing.

- **Experienced Promoters and Management Team**

The established track record of the promoters in the real estate construction business and Venus Group has renowned real estate developer in Ahmedabad real estate. The business risk profile of the company will continue to benefit from established track record of the group, experienced promoters and management team.

### Key Rating Weaknesses

- **Renewal risk of Lease Agreements**

Renewal risk arises from the fact that the lease agreements have been entered into with different parties for various tenors. However, there is a lock-in period of 9 years with a few of its tenants, which contributes ~59% of the occupancy. Additionally, the lease rent is increased after the expiry of every 3 years at a rate of 10% to 12% over the last paid lease rent.

- **Susceptibility to cyclicity inherent in the real estate sector**

The real estate sector is volatile in nature with an inherent liquidity risk associated to it. There may be fluctuations in cash flows due to delayed realization & changes in regulatory requirements. Change in interest rate cycle also dents the demand of commercial as well as residential real estate demand.

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Rating Methodology for Debt Backed by Lease Rental Discounting \(LRD\)](#)

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

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)



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### **Liquidity – Adequate**

The cashflows from operations shall be adequate to service the monthly obligations, aided by rental income. The lease rental discounting loan has an escrow mechanism which prioritizes debt repayment before any other utilization and is also backed by DSRA equivalent to 3 months of the principal and interest payments. VIDPL maintains cash and cash equivalent amounting to Rs.9.62 crore as on March 31, 2025.

### **About the Company**

Venus Infrastructure & Developers Private Limited is the flagship company of the Venus Group. Since 2014, the company has successfully completed 7 residential and commercial projects and a plotting scheme at Ahmedabad, Gujarat. The Venus Group undertakes residential, commercial, retail, hospitality space and township development in Ahmedabad and Vadodara. The group has so far completed development of around 21 lakh sq. ft. of area and has an ongoing construction of around 22 lakh sq. ft. of area. The Venus group is promoted by Mr.Dilip Lalwani, Mr.Deepak Vaswani and Mr.Rajesh Vaswani.

### **Financials: Standalone**

For the year ended/ As on*	31-03-2024	31-03-2025
	Audited	Provisional
Total Operating Income	75.15	44.87
EBITDA	25.43	20.26
PAT	49.73	5.66
Total Debt	108.99	139.70
Adjusted Tangible Net Worth	256.83	268.19
EBITDA Margin (%)	33.84	45.16
PAT Margin (%)	42.17	12.52
Adjusted Overall Gearing Ratio (x)	0.42	1.32
Interest Coverage (x)	5.14	1.93

\*Classification as per Infomerics Standard

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating History for last three years:**



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Sr. No.	Name of Instrument /Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type	Amount Outstanding (Rs. Cr.)	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
					11-Mar-2025	12-Feb-2024	-
1.	Fund Based – Term Loan LRD	Long Term	51.00	IVR BBB/ Stable	IVR BBB-/ Negative; ISSUER NOT COOPERATING*	IVR BBB / Stable	-
2.	Fund Based – Dropline OD LRD	Long Term	20.67	IVR BBB / Stable	IVR BBB-/ Negative; ISSUER NOT COOPERATING*	IVR BBB / Stable	-
3.	Fund Based – Term Loan LRD	Long Term	43.04	IVR BBB / Stable	-	-	-
4.	Fund Based – Dropline OD LRD	Long Term	24.87	IVR BBB / Stable	-	-	-
5.	Non-Fund Based – Bank Guarantee	Short Term	11.51	IVR A3	-	-	-

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

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### About Infomerics:

Infomerics Valuation and Rating Ltd (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



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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 and definition of ratings please visit [www.infomerics.com](http://www.infomerics.com).

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### 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
Long Term Fund Based Bank Facilities – Term Loan 1	-	-	-	Feb 15, 2033	13.08	IVR BBB/ Stable
Long Term Fund Based Bank Facilities – Term Loan 1	-	-	-	Feb 15, 2038	4.67	IVR BBB/ Stable
Long Term Fund Based Bank Facilities – Term Loan 2	-	-	-	Feb 15, 2038	4.48	IVR BBB/ Stable
Long Term Fund Based Bank Facilities – Term Loan 3	-	-	-	June 15, 2038	13.94	IVR BBB/ Stable
Long Term Fund Based Bank Facilities – Term Loan 4	-	-	-	Feb 15, 2036	19.01	IVR BBB/ Stable
Long Term Fund Based Bank Facilities – Term Loan 4	-	-	-	Feb 15, 2036	8.90	IVR BBB/ Stable
Long Term Fund Based Bank Facilities – Term Loan	-	-	-	June 15, 2036	15.28	IVR BBB/ Stable
Long Term Fund Based Bank Facilities – Term Loan	-	-	-	June 15, 2036	14.68	IVR BBB/ Stable
Long Term Fund Based – Dropline OD LRD	-	-	-	-	24.87	IVR BBB/ Stable
Long Term Fund Based – Dropline OD LRD	-	-	-	-	20.67	IVR BBB/ Stable
Short Term Non Fund	-	-	-	-	11.51	IVR A3



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Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Based – Bank Guarantee						

**Annexure 2: Facility wise lender details:**

<https://www.infomerics.com/admin/prfiles/len-venus-infra-jul25.pdf>

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

**Annexure 4: List of companies considered for consolidated analysis:** 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](http://www.infomerics.com).