Vatika Limited

January 28, 2025

Ratings:

Facilities/ Instruments	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	164.57	IVR C/ Negative; ISSUER NOT COOPERATING* (IVR C with Negative Outlook; ISSUER NOT COOPERATING*)	IVR B-/Negative; ISSUER NOT COOPERATING* (IVR Single B Minus with Negative Outlook; ISSUER NOT COOPERATING*)	Rating Downgraded and continued under Issuer Not Cooperating Category	Simple
Total	**164.57**	**(Rs. One hundred sixty-four crore and fifty-seven lakhs only)**			

Issuer did not cooperate; Based on best available information

Details of Facilities are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Ratings

The aforesaid long-term rating has been downgraded to IVR C with negative outlook on accounts of search conducted and assets worth Rs. 68.59 Crores was attached by ED under the provisions of the Prevention of Money Laundering Act (PMLA), 2002. Further, ratings have been continued under 'ISSUER NOT COOPERATING' category on accounts of non-submission of information and NDS along with management non-co-operation.

Detailed Rationale

The aforesaid rating action to the bank facilities of Vatika Limited reflects lack of adequate information available about the performance of the company and hence the uncertainty around its credit risk. Infomerics Ratings assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

Infomerics has rated the bank loan facilities of Vatika Limited on February 06, 2024, Infomerics is unable to assess the company's financial performance and its ability to service its debt and maintain a valid rating. 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. Based upon the same Infomerics has downgraded the long-term and continued the long-term bank facilities to IVR C/Negative; ISSUER NOT COOPERATING.

Non-Cooperation by Issuer:

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 bank loan facilities of Vatika Limited, aggregating to Rs. 164.57 crore have been continued to 'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR C/Negative; ISSUER NOT COOPERATING.

Analytical Approach: Standalone

Applicable Criteria:

Rating Methodology for Real estate entities

Financial Ratios & Interpretation (Non-Financial Sector)

Guidelines on what constitutes Non-Cooperation by clients

Complexity Level of Rated Instruments/Facilities

Criteria for assigning Rating Outlook

Instrument/Facility wise Default Recognition & Post-Default Curing Period

Liquidity: Unable to comment due to lack of adequate information

About the Company

Vatika Limited (VL) was incorporated in July 1998 under the leadership of Mr. Anil Bhalla (Chairman) who has more than four decades of experience in real estate sector. The company is closely held by Bhalla family. It is engaged in real estate development (residential and commercial) in the National Capital Region (NCR), Jaipur (Rajasthan) & Ambala (Haryana). In the past, Vatika group has completed four commercial projects and eight residential projects with total saleable area of 1400 acre in Gurgaon (Haryana), Jaipur (Rajasthan) & Ambala (Haryana) areas. Currently in total around 11 projects are ongoing in residential and commercial segments with total saleable area of 692.23 acre. Out of which 10 projects are in Gurgaon and one in Jaipur.

Financials (Standalone): Latest Financial not available.

(Rs. Crore)

For the year end* / Rs. Crore	31-03-2020	31-03-2021
	Audited	Audited
Total Operating Income	522.48	506.11
EBITDA	3.61	114.53
PAT	-278.37	5.38
Total Debt	2259.52	1986.36
Tangible Net Worth	336.38	342.03
EBITDA Margin (%)	0.69	22.63
PAT Margin (%)	-48.38	1.01
Overall Gearing Ratio(x)	6.72	5.81
Interest Coverage(x)	0.02	0.86

**Classification as per Infomerics` Standard*

Status of non-cooperation with previous CRA: None

Any other information: Not Applicable

Rating History for last three years:

Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-2022
					February 06th, 2024	December 23rd, 2022	March 23rd ,2022
1.	Long Term Bank Facilities	Long Term	164.57	IVR C/Negative; INC	IVR B-/Negative; INC	IVR B; INC	IVR B+/ 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.

Annexure 1: Details of Facilities

Name of Facility	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs Crore)	Rating Assigned/ Outlook
Long Term-Bank Guarantee	-	-	-	-	128.00	IVR C/ Negative; ISSUER NOT COOPERATING*
Long Term-Bank Guarantee	-	-	-	-	36.57	IVR C/ Negative; ISSUER NOT COOPERATING*

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

Annexure 2: Facility wise lender details: Not available.

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.