

April 02, 2024

M S Ramaiah Developers And Builders Pvt Ltd: Rating withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term fund-based – Term loan	581.00	581.00	[ICRA]BBB+ (Positive); withdrawn
Long-term – Unallocated	4.00	4.00	
Total	585.00	585.00	

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the rating assigned to the bank facilities of M S Ramaiah Developers And Builders Pvt Ltd (MSRDB) at the company's request and based on the No Objection Certificate (NOC) received from the lenders, and in accordance with ICRA's policy on withdrawal.

The key rating drivers, liquidity position and rating sensitivities have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here.](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Policy on Withdrawal of Credit Ratings Realty - Lease Rental Discounting (LRD)
Parent/Group support	Not Applicable
Consolidation/Standalone	While assigning the rating, ICRA has considered the consolidated operational and financial profile of MSRDB and Ramaiah Soft Tech Park (RSTP), given the strong operational and financial linkages between the two entities. The two entities are co-borrowers for some of the rated facilities.

About the company

M S Ramaiah Developers and Builders Pvt Ltd (MSRDB), incorporated in 2002, is promoted by Mr. M R Seetharam. MSRDB is involved in the commercial real estate business. It has jointly developed an office asset, Helios Business Park, located in Outer Ring Road, Bangalore, in a JDA with Kalyani Tech Park Private Limited (KTPL). The company, along with Ramaiah Soft Tech Park (RSTP) (a firm in which MSRDB has 61% share), owns 14.0 lakh sft of leasable area in Helios Business Park. MSRDB has developed another commercial office project, MSR North Tower (formerly known as MSR Pacman), with a total leasable area of 4.5 lakh sft at Nagwara in Bangalore. The project is through a JDA with Micro Constructions with MSRDB holding around 2.6 lakh sft of area.

Key financial indicators

Consolidated	FY2022	FY2023
	Audited	Audited
Operating income	70.5	94.1
PAT	28.5	34.5
OPBDIT/OI	82.7%	80.6%
PAT/OI	40.4%	36.6%
Total outside liabilities/Tangible net worth (times)	3.6	3.2
Total debt/OPBDIT (times)	9.2	7.3
Interest coverage (times)	1.7	1.7

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs. crore

Source: Company; ICRA Research

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

Sl. No	Instrument	Type	Current rating (FY2025)		Chronology of rating history for the past 3 years			
			Amount rated (Rs. crore)	Amount outstanding as on March 31, 2023 (Rs. crore)	Date & rating in FY2025	Date & rating in FY2024	Date & rating in FY2023	Date & rating in FY2022
					April 02, 2024	Jan 16, 2024	Mar 17, 2023	Feb 22, 2022
1.	Term loan	Long term	581.0	530.1	[ICRA]BBB+ (Positive); withdrawn	[ICRA]BBB+ (Positive)	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Stable)
2.	Unallocated	Long term	4.0	-	[ICRA]BBB+ (Positive); withdrawn	[ICRA]BBB+ (Positive)	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Stable)
3.	Term loan	Long term	-	-	-	-	-	[ICRA]BBB (Stable); Withdrawn

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term fund-based – Term loan	Simple
Long-term – Unallocated	NA

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#).

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term loan I	Feb 2021	NA	Mar 2036	200.00	[ICRA]BBB+ (Positive); withdrawn
NA	Term loan II	Nov 2021	NA	Sept 2035	381.00	[ICRA]BBB+ (Positive); withdrawn
NA	Unallocated	NA	NA	NA	4.00	[ICRA]BBB+ (Positive); withdrawn

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Company Name	MSRDB Ownership	Consolidation Approach
M S Ramaiah Developers and Builders Pvt Ltd	Rated entity	Full consolidation
Ramaiah Soft Tech Park	61.00%	Full consolidation

Source: Company

ANALYST CONTACTS

Rajeshwar Burla
+91 40 6939 6443
rajeshwar.burla@icraindia.com

Anupama Reddy
+91 40 6939 6427
anupama.reddy@icraindia.com

Abhishek Lahoti
+91 40 6939 6433
abhishek.lahoti@icraindia.com

Riddham Agarwal
+91 80 4332 6405
riddham.agarwal@icraindia.com

RELATIONSHIP CONTACT

L Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



© Copyright, 2024 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.