

Vatika Infracon Private Limited

May 31, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Non Convertible Debentures	128.90	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Ltd. has been seeking information from Vatika Infracon Private Limited (VIPL) to monitor the ratings vide various e-mail communications dated May 11, 2024, May 01, 2024, April 21, 2024 and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating. The ratings of Vatika Infracon Private Limited's NCD's will now be denoted as CARE D; ISSUER NOT COOPERATING*.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating).

The rating has been reaffirmed on account of ongoing delays in servicing of its debt obligations due to stressed liquidity position. There have been instances of delays in interest servicing for NCDs as reported in the audit report of FY23.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in liquidity position with timely repayment of debt obligations

Analytical approach: Standalone

Outlook: Not Applicable

Detailed description of the key rating drivers:

Key weaknesses

Decline in the income and increasing losses leading to delays:

The total income from operations of the company has reduced from Rs 42.34 crores in FY22 (A) to Rs 4.74 crores in FY23 (A). Also, the company has reported net losses of Rs 23.52 crores in FY23(A). On account of the weak performance, the company has delayed the repayment of interest to debenture holders, as per the audit report for FY23.

Liquidity: Poor

Owing to weak performance and losses, the company has poor liquidity profile

Assumptions/Covenants: Not Applicable

Applicable criteria

[Definition of Default](#)

[Policy in respect of non-cooperation by issuers](#)

[Rating Outlook and Rating Watch](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Financial Ratios – Non financial Sector](#)

[Rating methodology for Real estate sector](#)

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

About the company and industry

Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Consumer Discretionary	Realty	Realty	Residential, Commercial Projects

Vatika Infracon Private Limited (VIPL) was incorporated in 2010 for the purpose of real estate development. The company is a step-down subsidiary of Vatika Ltd, Vatika Group's flagship company. VIPL is developing 77 acres gated township 'Vatika City 2' as the final phase of Vatika India Next (An integrated township with area spanning over 77 acres having residential- floors, plots, villas, group housing, gated towns and commercial projects) in Sector 89, Gurgaon with saleable area of 68.02 lakh square feet (lsf). The project will be developed in 4 phases and the land for the project has already been acquired with licenses for phase 1 already received.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	42.34	4.74	NA
PBILDT	-99.99	-23.52	NA
PAT	-99.83	-23.52	NA
Overall gearing (times)	-0.84	-0.73	NA
Interest coverage (times)	NM	NM	NA

A: Audited UA: Unaudited NA: Not available; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Debentures-Non Convertible Debentures	INE504U08016	14-06-2018	13.33%	July 29, 2024	128.90	CARE D; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Debentures-Non Convertible Debentures	LT	128.90	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (06-Jun-23)	1)CARE D; ISSUER NOT COOPERATING* (06-Apr-22)	-

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

LT: Long term;

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non-Convertible Debentures	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

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About us:

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Disclaimer:

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