

Sobha Limited

September 23, 2019

Ratings

| Facilities/Instruments | Amount (Rs. crore) | Rating ¹ | Rating Action |
|--------------------------------------|-----------------------|---------------------|---------------|
| Long Term Bank Facilities-Fund Based | - | - | Withdrawn |

Details of instruments/facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE, has withdrawn the rating(s) assigned to the bank facilities of Sobha Limited, with immediate effect, at the request of the company and receipt of no objection certificate from the bank for withdrawal of ratings assigned by CARE.

Analytical approach: Not Applicable.

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Sobha Limited was incorporated in August 1995 as Sobha Developers Private Ltd by Mr. P.N.C Menon, a person of Indian origin and National of Sultanate of Oman. The company was converted to a public company in 2006. The company is in the business of real estate development and also undertakes contract work for corporates. Further, The company is backward integrated in terms of architectural and design studio, concrete block making plant, metal and glazing factory, interior and wood working factory and electrical & plumbing division.

Till June 30, 2019, the company has completed and handed over projects with total developed area of 104.18 msf.

| Brief Financials (Rs. crore) | FY18 (A) | FY19 (A) |
|------------------------------|----------|----------|
| Total operating income | 2630.01 | 3399.65 |
| PBILDT | 511.93 | 685.35 |
| PAT | 193.94 | 286.53 |
| Overall gearing (times) | 0.91 | 1.34 |
| Interest coverage (times) | 2.63 | 2.99 |

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

Annexure-1: Details of Instruments/Facilities

| Name of the Instrument | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. crore) | Rating assigned along with Rating Outlook |
|-----------------------------|------------------|-------------|---------------|----------------------------------|---|
| Fund-based - LT-Term Loan | - | - | - | 0.00 | Withdrawn |
| Fund-based - LT-Cash Credit | - | - | - | 0.00 | Withdrawn |
| Non-fund-based - LT-BG/LC | - | - | - | 0.00 | Withdrawn |

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Annexure-2: Rating History of last three years

| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings | | | Rating history | | | |
|---------|--|-----------------|--------------------------------|--------|---|---|---|---|
| | | Type | Amount Outstanding (Rs. crore) | Rating | Date(s) & Rating(s) assigned in 2019-2020 | Date(s) & Rating(s) assigned in 2018-2019 | Date(s) & Rating(s) assigned in 2017-2018 | Date(s) & Rating(s) assigned in 2016-2017 |
| 1. | Fund-based - LT-Term Loan | LT | - | - | - | 1)CARE A; Stable; ISSUER NOT COOPERATING* (05-Apr-18) | - | 1)CARE A (13-Oct-16) |
| 2. | Fund-based - LT-Cash Credit | LT | - | - | - | 1)CARE A; Stable; ISSUER NOT COOPERATING* (05-Apr-18) | - | 1)CARE A (13-Oct-16) |
| 3. | Non-fund-based - LT-BG/LC | LT | - | - | - | 1)CARE A; Stable; ISSUER NOT COOPERATING* (05-Apr-18) | - | 1)CARE A (13-Oct-16) |

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

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Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is 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 CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

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