Rating Rationale

17 September 2026

Navratna SG Highway Properties Private Limited

Brickwork Ratings withdraws the existing ratings for the Bank Loan Facilities of Rs.47crores and assigns the long-term rating of BWR BBB-/Stable and short-term rating of BWR A3 for the bank loan facilities of Rs.325crores, respectively, for Navratna S G Highway Properties Pvt Ltd.

Facilities / Instrument	Tenure	Amount (₹ crore)		Rating Assigned & Outlook		Regulator
		Previous	Present	Previous (26 Sep 2025)	Present	
Fund-Based	Long Term	47.00	-	BWR B- /Stable Continues to be in ISSUER NOT COOPERATING* category/ Reaffirmed	**Withdrawal**	RBI
		-	**325.00**	-	**BWR BBB-/Stable (Assignment)**	RBI
		-	**(318.43)**	-		
Non-Fund-Based	Short Term	-	**(6.85)**	-	**BWR A3 (Assignment)**	RBI
Total		47.00	**325.00**			

Note:
1. Please refer to the BWR website www.brickworkratings.com for the definition of the ratings
2. Refer to Annexures I, II, and III for details of rated bank loan facilities, debt instruments, and the List of Entities Consolidated.

RATING ACTION/OUTLOOK

Brickwork Ratings has assigned a long-term rating of BWR BBB-/Stable and short-term ratings of BWR A3 to the bank loan facilities aggregating Rs.325.00 crore of Navratna SG Highway Properties Pvt Ltd. (NSGHPPL), along with withdrawal of previous bank loan facilities of Rs.47crs from Union Bank of India due to closure of such facilities. The withdrawal aligns with BWR policy for withdrawal of ratings.

The rating assigned derives strength from the project's strategic location, secured funding tie-ups, and positive industry demand trends. These are further supported by the extensive experience of the promoters in the real estate industry, the group's proven project execution capabilities, and its established regional market presence.

These strengths are partially offset by the execution risk associated with the timely completion of the ongoing project, revenue concentration in a single region, and exposure to the inherent cyclicality of the real estate sector.

Going forward, the entity's ability to ensure timely project execution, achieve occupancy and revenue levels in line with projections, and maintain healthy cash flows and debt protection metrics will remain key rating sensitivities.

The Stable outlook reflects Brickwork Ratings' expectation that the entity will maintain its business and financial risk profile over the medium term, supported by timely project execution and achievement of the envisaged occupancy and revenue levels. The outlook may be revised to Positive if the entity demonstrates sustained progress in project execution, achieves occupancy and revenue levels in line with or better than projections, and improves its overall financial risk profile. Conversely, the outlook may be revised to Negative in case of significant delays in project execution, deterioration in the financial risk profile, weakening liquidity, or adverse regulatory or operational developments affecting project implementation.

KEY COVENANTS OF THE INSTRUMENT/FACILITY

The terms of sanction for the rated facilities include standard covenants typically stipulated for such facilities, including :

- A minimum mandated level of USL shall be maintained during the tenor of the loan (Rs25 Cr for Project + DSRA). USL to be subordinated to Bank Finance (as Quasi Equity) and not to be withdrawn during the currency of Bank Loan Facilities.
- A DSRA equivalent to one quarter of principal installments shall be built up before the scheduled or actual DCCO, whichever is earlier. Additionally, a DSRA equivalent to one quarter of interest obligations must be built up immediately after each disbursement.

ANALYTICAL APPROACH & APPLICABLE RATING CRITERIA

Analytical Approach	Comments
Applicable Rating Criteria	• General Criteria • Real Estate-Commercial • Real Estate- Residential • Approach to financial ratios • Short Term Debt • BWR Withdrawal Policy
Parent/Group/Government Support	NA
Analytical Approach (Consolidation/Standalone)	Standalone approach

KEY RATING DRIVERS WITH DETAILED DESCRIPTION

Credit Strengths-:

1. **Extensive promoter experience in the industry:** NSGHPPL is part of the Ahmedabad, Gujarat-based Navratna Group, spearheaded by Mr. Devang D Shah and his brother, Mr. Pranav D Shah, who brings over three decades of experience in the regional real estate market of Ahmedabad. The promoters possess extensive local expertise and a strong track record of completing multiple projects.

2. **Proven execution capability and strong brand recall:** The Navratna Group is a reputed real estate developer in the Ahmedabad region. Since 1993, the group has completed around 22 projects, encompassing luxury, retail, commercial, and mixed-use developments. Prominent past developments include Navratna Corporate Park, Navratna Business Park, Kalhaar Blues & Greens, and the Kalhaar Blues & Greens Club (KBG). The group has also established strong local brand recall through its operation of 'Gulmohar Park Mall' at Iscon Circle, Ahmedabad. The current project under development, 'Navratna Gulmohar Park,' leverages this established brand name, which is expected to support future customer bookings.

3. **Funding tie-up for the ongoing project:** For the ongoing 'Navratna Gulmohar Park' project, NSGHPPL has estimated a total project cost of Rs. 608.24 crore. This is to be funded via a promoter contribution of Rs.141 crore, bank debt (construction finance loan) of Rs. 325 crore, and customer

advances of Rs. 142.24 crore. The bank debt for the project is fully tied up. As of August 31, 2026, NSGHPPL has incurred Rs.194.24 crore (~32% of the total project cost), which was funded through promoter contributions of Rs.117.34 crore, bank borrowings of Rs.74.31crore, and customer advances of Rs.2.59crore.

4. **Strategic location of the project:** Navratna Gulmohar Park is located Nr. Iscon Cross Road, Opp. Satellite Police Station, Satellite Road, Ahmedabad, and enjoys strong connectivity via Sardar Patel (S.P.) Ring Road (~5 km away), Ahmedabad Airport (~18 km away), and Kalupur Railway Station (~21 km away). The company is best known for operating the commercial asset **Gulmohar Park Mall** along the prime Sarkhej–Gandhinagar (SG) Highway corridor. This corridor functions as the primary Central Business District (CBD) for corporate hubs, IT/tech firms, and retail, which typically exhibits resilient demand.

Credit Risks-:

1. **Inherent cyclical nature of the real estate sector:** Cyclicality in the real estate sector can lead to volatility in sales and cash inflows, whereas debt service obligations remain fixed. Real estate entities are inherently exposed to broader macroeconomic trends, interest rate movements, and shifts in disposable income levels. Any sharp market decline could adversely impact sales velocity and customer collections, thereby weakening liquidity.

2. **Project execution and salability risks:** NSGHPPL's ongoing project, "Navratna Gulmohar Park," is in its early stages of development and is exposed to execution risks, potential completion delays, and lower-than-anticipated sales velocity, which could lead to cost overruns. These risks are partially mitigated by initial progress: approximately 6.47% of the total saleable inventory (11 out of 170 units) has been booked, reflecting early market acceptance and financial deployment.

3. **Geographical concentration risk:** The company's operations and project assets are concentrated in Ahmedabad. Consequently, geographic concentration risk persists, and any economic slowdown in the regional market could adversely affect business performance and financial results.

RATING SENSITIVITY FACTORS

BWR believes NSGHPPL will continue to benefit from its promoters' extensive industry experience.

Positives (factors for upgrade) :

- Scheduled completion of the ongoing project within the estimated cost parameters.

Negatives (factors for downgrade):

- Delays in project execution, completion timelines with expected DCCO of November 2030, or cost overruns exceeding the estimated project cost of Rs.608.24 crores that weaken cash flows, debt service metrics, or the overall credit profile.

- Slower-than-expected unit bookings, delayed customer collections, or disruptions in the disbursement of committed funding lines resulting in liquidity pressure.

LIQUIDITY POSITION -

NSGHPPL maintains adequate liquidity to fund the construction of its ongoing project 'Navratna Gulmohar Park' through a mix of customer advances, bank loans, and promoters' funds. Promoters have infused Rs. 117 crore of the committed Rs. 141 crore margin as of August 31, 2026. Repayment for the proposed Rs.325 crore term loan is scheduled to begin in November 2030, offering a sufficient moratorium window relative to the scheduled commercial operations date of October 2030. Liquidity is further supported by the requirement to maintain a DSRA equivalent to one quarter of principal installments and interest obligations after each disbursement. However, any unforeseen delay in project construction and receipt of advances from customers might result in cost overruns and may significantly impact liquidity.

ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG) PRACTICES

BWR believes that the ESG profile of Navratna SG Highways Properties Pvt. Ltd. supports its overall credit risk profile.

Environmental: The company adheres to green building principles and environmental regulations across its project sites, aiming to minimize ecological impact during development.
Social: The company complies with statutory labor standards, ensures fair wages, and enforces on-site health and safety protocols for its workforce.
Governance: The entity maintains transparent accounting practices and complies with statutory tax and regulatory frameworks.

COMPANY/FIRM PROFILE

Industry Classification			
Macroeconomic Indicator	**Sector**	**Industry**	**Basic Industry**
Consumer Discretionary	**Realty**	**Realty**	**Residential, Commercial Projects**

Navratna SG Highway Properties Pvt. Ltd. (Erstwhile Gulmohar Park Pvt Ltd.) was incorporated in July 2005 and is a wholly owned subsidiary of Navratna Organisers & Developers Pvt. Ltd. (NODL). Promoted by Mr. Pranav D. Shah and Mr. Devang D. Shah, the company was renamed Gulmohar Park Mall Pvt. Ltd. on 29th May 2012, while operating 'Gulmohar Park Mall'- a luxury shopping and entertainment mall located in the prime locality at SG Highway, Ahmedabad. After operating the mall till 2024, it was demolished to undertake the redevelopment of the land parcel into a high-rise commercial mixed-use project (5 Basement+Ground+38 floors) named *'Navratna Gulmohar Park'*. Consequently, the entity reverted to its present name, Navratna S G Highway Properties Pvt. Ltd., in August 2024.

KEY FINANCIAL INDICATORS

Standalone Financial Indicators (in ₹ crore)	FY 24 (A)	FY 25 (A)	FY 26 (P)
Operating Revenue	3.93	1.31	0.82
EBITDA	-0.19	-0.91	0.58
PAT	-7.04	-7.93	-0.31
Tangible Net worth	12.73	326.64	306.38
Total Debt/ Tangible Net worth	3.47	0.16	0.39
Current Ratio	0.17	14.55	3.73

A: Audited UA: Unaudited NA: Not Available; P: Provisional *PBILDT: Profit before interest, lease rentals, depreciation and tax.
Note: these are the latest available financial results All ratios as per BWR's calculations; Amount in ₹ crore.

RATING HISTORY FOR THE PREVIOUS THREE YEARS

	Current Rating (2026)				Rating History					
					FY 25		FY 24		FY 23	
Instrument	Tenor	Amount (₹. Crore)	Rating		Date	Rating	Date	Rating	Date	Rating
Lease Rental Discounting	LT	47.00	Withdrawal		26 Sep 2025	BWR B-/Stable continues to be in Issuer Not Cooperating* Category/ Reaffirmed	8 Aug 2024	BWR B-/Stable continues to be in Issuer Not Cooperating* Category/ Reaffirmed	28 July 2023	BWR B-/Stable continues to be in Issuer Not Cooperating* Category/ Downgraded
Term Loan-Sanctioned	LT	325.00	BWR BBB-/Stable (Assignment)		-	-	-	-	-	-
FCNR (sublimit of TL)	LT	(318.43)	BWR BBB-/Stable (Assignment)		-	-	-	-	-	-
Credit Exposure Limit (sublimit of TL)	ST	(6.50)	BWR A3 (Assignment)		-	-	-	-	-	-

COMPLEXITY LEVEL OF THE RATED INSTRUMENTS

Instrument	Complexity Indicator
Fund Based	Simple
Non-Fund Based	Simple

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 BWR's website www.brickworkratings.com/download/ComplexityLevels.pdf

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY (IF ANY): NA

ANY OTHER INFORMATION: None

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Annexure I: Details of Bank Loan Facilities *(Amount in Rupees Crore)*

S.No	Type	Facilities	Tenor	Bank	Total	Regulator
1	FB	Term Loan- Sanctioned	Long term	State Bank of India	325.00	RBI
2	FB	FCNR (Sublimit of TL)	Long term	State Bank of India	(318.43)	RBI
3	NFB	Credit Exposure Limit (Sublimit of TL)	Short term	State Bank of India	(6.50)	RBI
	Total				**325.00**	

ANNEXURE II: Details of Instruments/Facilities

Name of the Instrument / Facility	Long Term/Short Term	ISIN	Date of Issuance (DD-MM YYYY)	Coupon Rate (%)	Maturity Date (DDMM-YYYY)	Size of the Issue (₹ cr)	Rating Assigned and Rating Outlook	Regulator
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

ANNEXURE III: List of Entities Consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
Nil	Nil	Nil	Nil

Annexure IV: List of Instruments and Names of Regulators of the Instruments

As required by SEBI CRA Circular dated Feb 10, 2026, a list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

No.	Instrument/Activity Name	Regulator of the Instruments
1	Listed/Proposed to be listed bonds/debentures/preference share (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)* $	RBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)*	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)*	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/FIs ^	RBI
9	External Commercial Borrowings and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs,HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA

13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts $	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
22	Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
23	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* Includes securitisation transactions involving assignee payout, acquirer's payout.
~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Brickwork Ratings India Private Limited (BWR) shall separately capture the rated quantum details along with names of respective regulators.
^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.
# There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.
@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated Feb 10, 2026 and the investor side regulators have accordingly been included.
$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

Grievance Management

For any grievances relating to rating of instruments regulated by SEBI, please contact sebigrievance@brickworkratings.com. Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

For any grievances relating to rating of instruments regulated by other FSR (Financial Services Regulators), please contact grievance@brickworkratings.com

Disclosure of Conflict of Interest

BWR Board of Directors have no influence over rating decisions, nor do they sit on the rating committees or review, discuss, or evaluate any credit ratings during the Board meetings.

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Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI]. BWR is the 5th agency to get a credit rating registration in India in 2009 and its corporate office in Bengaluru. It has a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. Canara Bank is Brickwork's strategic partner.

Brickwork offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporate and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

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