The Baroda Rayon Corporation Ltd.
CIN L45100GJ1958PLC000892
P O Fatehnagar, Udhna, Surat 394 220
Tel : 0261-2899555
Email : admin@brcl.in
Website : www.brcl.in

June 02, 2026

To
Department of Corporate Services,
BSE Limited
P J Towers,
Dalal Street,
Mumbai - 400001

Sub: Intimation of Credit Rating
Ref – BSE Scrip Code - 500270

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we would like to inform that Infomerics Valuation and Rating Ltd. (Formerly known as Infomerics Valuation and Rating Pvt. Ltd.) has reaffirmed the credit rating "IVR BB- / Stable" with respect to the Long term Bank loan facility.

Instrument / Facility	Amount	Credit Rating	Remarks
Long term Bank Loan facility	₹ 189.10 Crore (enhanced from ₹ 175 Crore)	IVR BB - / Stable	Reaffirmed

Press Release dated June 01, 2026, issued by the Infomerics Valuation and Rating Ltd. is enclosed herewith.

Kindly take the same on your records.

Thanking You.

Yours faithfully,

For The Baroda Rayon Corporation Limited

DESAI KUNJAL SAWAN
Digitally signed by DESAI KUNJAL SAWAN
Date: 2026.06.02 16:06:04 +05'30'

Kunjal Desai
Company Secretary

Encl: a/a

The Baroda Rayon Corporation Limited

June 01, 2026

Rating Action

Total Bank Loan Facilities Rated	**Rs. 189.10 Crore (Enhanced from Rs 175.00 Crore)**	**Regulator^**
Long Term Rating	**IVR BB-/Stable (Rating Reaffirmed)**	**RBI**
^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.		

Refer Annexures for details of facilities/instruments, facility wise lender details, and detailed explanation of covenants.

Note: *None of the Directors on Infomerics Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.*

Rationale

Infomerics ratings has reaffirmed its rating on the long-term bank facilities of The Baroda Rayon Corporation Limited (TBRCL).

The ratings continue to derive comfort from satisfactory progress in ongoing projects and extensive experience of the promoters. However, these rating strengths are partially constrained by exposure to geographical concentration, and exposure to risks relating to cyclicality in real estate industry along with expected increase in leveraged profile due to proposed funding in future.

Outlook: Stable

Stable outlook is based on the expected cashflow from the ongoing projects as well as favourable response of the project from its buyers.

Analytical Approach

Approach	Comments
Consolidation/ Standalone	Standalone
Parent/ Group Support	Not Applicable

Key Rating Drivers with Detailed Description

Strengths

Experienced promoters

Mr. Damodarbhai Patel, current chairman and the managing director of the company has over 35 years of experience in the real estate industry. He is ably assisted by Mr. Viral Bhavani and Mrs. Vidhya Bhavani, both have experience of more than a decade in real estate business. The promoters of the company have wide experience in real estate in Surat Region, which will help the company to ramp up operations quickly.

Satisfactory progress in ongoing project

The total estimated cost to construct Surat Textile Bourse Phase-I (Part-A), is Rs.344.83 crore which is to be funded through promoter's contribution/ internal accruals of Rs. 219.83 crore, debt of Rs.75.00 crore (financial closure achieved) and the balance through customer advances. As on March 25, 2026, the company has already incurred Rs. 304.57 crore (88.32% of total project cost) towards the project, which was funded through a mix of promoters' contribution of Rs.105.62 crore, debt of Rs. 75 crore and customer advances of Rs. 123.95. crore. TBRCL has already sold 225 units out of the total 323 units, which is ~70% of the total units.

The total estimated cost to construct Surat Textile Bourse Phase-I (Part-B), is Rs.185.35 crore which is to be funded through promoter's contribution/ internal accruals of Rs.24.00 crore, unsecured loan of Rs. 28.35 crore, debt of Rs.100.00 (financial closure achieved) and the balance through customer advances. As on February 28, 2026, the company has already incurred Rs. 99.27 crore (53.56% of total project cost) towards the project, which was funded through a mix of promoter's contribution of Rs.24.45 crore, unsecured loan of Rs. 28.35 crore, customer advances of Rs. 5.45 crore and bank loan of Rs. 41.02 crore. TBRCL has already sold 19 units out of the total 197 units, which is ~10% of the total units. However, the construction progress and level of response received for the textile land development would remain a key rating monitorable, going forward.

Weaknesses

Increasing leverage ratio

The company has proposed term loan of Rs. 50.00 crore for STB Phase I Part A which is to be tied up. Hence, after the tie-up there will be change in the funding pattern which will increase the leverage ratio of the company. Going forward, this will remain key monitorable.

Exposure to geographical concentration risk

Since all the projects of company is being executed in Surat, it is exposed to geographical concentration risk. Fortunes of the projects therefore will depend on the overall market sentiment in the region.

Exposure to risks relating to cyclicality in real estate industry

Cyclicality in the real estate segment could lead to fluctuations in cash inflow because of volatility in realization and saleability. This may affect the debt servicing ability of the company. TBRCL will remain susceptible to the inherent cyclicality in the real estate sector. Moreover, since the project is targeting Textile sector, the industry outlook for the textile sector is also a key rating monitorable.

Liquidity – Stretched

Liquidity of the company is expected to remain stretched as the portion that the promoters were supposed to bring, out of that Rs. 50.00 crore for Part A is proposed to be tied up with the bank. The estimated surplus cashflows of Rs ~38 crore to Rs ~146 crore for the projected period of FY27-FY31 is sufficient to cover the annual debt obligations of Rs ~ 10 crore to Rs ~82 crore over the same period including the proposed amount which is to be tied up. However, if the proposed amount is excluded, the liquidity seems to be stretched in case the promoter's infusion remains same as per the cashflow. Further, liquidity is supported by cash and bank balance of Rs. 2.00 crore as on September 30, 2025 and debt service reserve account (DSRA) to be created in Q4FY28 equivalent to 3-months' interest and principal is expected to provide cushion.

Rating Sensitivities

Upward Factors

- Higher than expected booking status and timely receipt of customer advances and leading to significant improvement in the debt protection metrics and financial profile of the company.
- Timely completion of the projects with no time and/or cost overrun.

Downward Factors

- Significant cost and / or time overruns leading to higher debt.
- Delay in funding tie-up or infusion of fund by promoters.
- Lower than expected booking status impacting financial profile of the company.

About the Company

The Baroda Rayon Corporation Limited (TBRCL) was incorporated in 1958 by Gaekwad Chinai and started manufacturing of viscose filament yarn i.e., rayon yarn from 1962. However, the company became non-operational since August 2008. Thereafter, Mr. Damodarbhai Patel and Group purchased shares of The Baroda Rayon Corporation Limited in the year 2022-23. Mr. Damodarbhai B. Patel has taken over the company with the intention to monetize the land bank of the company through Real Estate projects. The company is presently engaged in real estate activities. Mr Damodar Patel is the current chairman & managing director of the company. TBRCL is listed in Bombay Stock Exchange (BSE).

Key Financial Indicators (Standalone):

For the year ended/ As on*	31-03-2024	31-03-2025	H1FY26	Q3FY2026
	Audited	Audited	Unaudited	Unaudited
Total Operating Income	76.83	99.60	13.06	12.64
EBITDA	9.30	27.35*	4.51	3.89
PAT	34.22	40.35	6.04	4.23
Total Debt	211.40	174.78*	194.00	NA^
Tangible Net Worth (TNW)	331.96	372.31	386.00	NA^
EBITDA Margin (%)	12.10	27.46*	34.53	30.78
PAT Margin (%)	39.90	39.28	46.25	33.47
Overall Gearing (times)	0.64	0.47*	0.50	NA^
Interest Coverage (times)	3.45	22.29*	10.49	6.71

**Classification as per Infomerics' standards; Amount in Rs. Crore; Source: Company*
Note: Some figures of FY25 are reclassified related to expenses and liabilities.

^NA – Not Available

Applicable Criteria

Rating Methodology for Real estate Companies

Financial Ratios & Interpretation (Non-Financial Sector)

Criteria for assigning Rating outlook

Policy on Default Recognition and Post Default Curing Period

Complexity Level of Rated Instruments/Facilities

Status of non-cooperation with previous CRA: NA

Any other information:

With reference to the matter of emphasis relating to BIFR and MDRS loans, the management has clarified that the promoters have settled entire unsecured loan amounts under MDRS with various lenders from their own funds infused in the form of unsecured loans during FY2026. Further, secured loans were already settled as mentioned in FY25 Audit report. While FY26 audit report is currently under process, emphasis of matter related to these points will not be reported this time.

Rating History for last three years

Sr. No.	Instruments/ Facilities	Current Ratings (Year 2026-27)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in in 2023-24
					September 02, 2025	February 25, 2025	
1.	Fund based facilities	LT	189.10	IVR BB-/Stable	IVR BB-/Stable	IVR BB-/Stable	-

Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned / Outlook	Listing Status	Regulator ^	Complexity Indicator
Term Loan-1	-	-	-	Sept 2028	23.71	IVR BB-/Stable	NA	RBI	Simple
Term Loan-2	-	-	-	Sept 2028	10.21	IVR BB-/Stable	NA	RBI	Simple
Term Loan-3	-	-	-	Sept 2028	5.18	IVR BB-/Stable	NA	RBI	Simple
Term Loan-4	-	-	-	February 2030	100.00	IVR BB-/Stable	NA	RBI	Simple
Proposed Term Loan	-	-	-	-	50.00	IVR BB-/Stable	NA	RBI	Simple

NA- Not Applicable

^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.

Annexure 2: Facility wise lender details:
https://infomericstorage.blob.core.windows.net/uploads/Len_The_Baroda_Rayon_Corp01_Jun26_a8bbc7399c.pdf

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: NA

Annexure 4: List of companies considered for Consolidated/Combined analysis: NA

Annexure 5: List of activities / instruments and names of regulators

Sr. No.	Instrument / activity Name	Regulator of the instrument
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference Shares	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) *	SEBI
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/Loans from overseas lenders/Loans from Multilaterals	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, 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 ~	Refer foot note
15	Issuer Ratings #	Refer foot note
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	SEBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
22	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
23	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
24	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) @	Investor-side Regulator such as IRDAI, PFRDA

***Footnotes**:*

** 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 Press Release(s) subsequent to issuance(s), CRA shall separately capture the rated quantum details along with names of respective regulators.

 # 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.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

@ These ratings were assigned during regulatory regime prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side regulators have been included.

Analytical Contact
Name: Mithun Vyas **Tel: (079) 40393043** **Email: mithun.vyas@infomerics.com**

About Infomerics

Infomerics Valuation and Rating Ltd. (“Infomerics”) [Formerly known as Infomerics Valuation and Rating Private Limited], a SEBI-registered and RBI-accredited credit rating agency, is dedicated to delivering independent, transparent, and research-driven ratings. Licensed for credit rating operations since 2015, Infomerics has empowered investors with reliable insights to make informed credit decisions. Driven by robust frameworks and methodologies, enriched by sectoral depth, and defined by analytical precision, Infomerics evaluates a wide spectrum of borrowers including MSMEs, large corporates, banks, NBFCs, state governments, municipal bodies, infrastructure projects, REITs, and InvITs— covering the entire range of debt instruments. With a strong pan-India presence anchored by its Head Office in Delhi and Corporate Office in Mumbai, alongside branches in major cities, Infomerics has rapidly expanded its footprint. Its joint venture in Nepal further underscores its growing influence across South Asia. Over the past decade, Infomerics has emerged as a rapidly expanding force in the credit rating space, achieving broad market recognition and building enduring trust among investors, institutions, and issuers.

For more information and definitions of ratings, please visit www.infomerics.com.