

Press Release

Bhagyalaxmi

September 28, 2018

Rating Update



Total Bank Facilities Rated	Rs. 8.35 Cr.#
Long Term Rating	ACUITE D Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Rating Rationale

Acuite has reviewed the long-term rating of '**ACUITE D**' (read as **ACUITE D**) to the Rs.8.35 crore bank facilities of Bhagyalaxmi. This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

Bhagyalaxmi is engaged in the development of real estate at Surat (Gujarat). The first venture of the firm, „Bhagyalaxmi Residency' project consists of six low rise residential buildings comprising 394 flats with built-up area of 1,59,827.79 sq. ft. and saleable area of 2,31,000 sq. ft. on land admeasuring 6824.19 sq. mtrs.

For FY2015-16, Bhagyalaxmi reported Profit after Tax (PAT) of Rs.0.28 crore on total operating income of Rs.8.76 crore compared to PAT of Rs.0.27 crore on total operating income of Rs.9.40 crore in FY2014-15. The firm reported negative net worth of Rs.(0.80) crore as on 31 March, 2016 compared to Rs.3.29 crore a year earlier.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
13-Oct-2017	Term Loan	Long term	4.50	ACUITE D (Downgraded)
	Proposed Long Term Loan	Long term	3.85	ACUITE D (Assigned)
23-Feb-2017	Term Loan	Long term	8.35	ACUITE BB-/Stable (Indicative)
09-Oct-2015	Term Loan	Long term	8.35	ACUITE BB-/Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Term Loan	Not Applicable	Not Applicable	Not Applicable	4.50	ACUITE D Issuer not co-operating*
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	3.85	ACUITE D Issuer not co-operating*

*The issuer did not co-operate; based on best available information.

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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