

Press Release
ROYAL REALTORS

January 21, 2020

Rating Update



Total Bank Facilities Rated#	Rs. 27.00 Cr.
Long Term Rating	ACUITE BB- Withdrawn; Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has reviewed the long-term rating of '**ACUITE BB-**' (**read as ACUITE double B minus**) on the Rs. 27.00 crore bank facilities of ROYAL REALTORS (RR). This rating is now withdrawn, indicative and is based on best available information.

The rating is being withdrawn on account of request received from the firm and NOC received from the banker.

Royal Realtors, established in 2006, is a Mumbai-based real estate firm promoted by Mr. Premji Shah, Mr. Himmatali Kachhara and Mr. Deven Shah. The firm is engaged in the redevelopment of residential projects in Mumbai and has executed around five projects to date. Currently, the firm is redeveloping Royal Pearl, at Malad. The project involves construction of a tower with two wings of 20 and 16 floors respectively. A total of 118 flats will be constructed with 44 flats available to existing tenants and the balance 30 to be handed over to the government as per the approved SRA Scheme. Rest 44 flats will be available for sales with Royal Realtors.

Non-cooperation by the issuer/borrower:

Acuité 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 Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Real Estate Entities - <https://www.acuite.in/view-rating-criteria-63.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). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

	Unit	FY19 (Actual)	FY18 (Actual)
Operating Income	Rs. Cr.	22.25	17.84
PAT	Rs. Cr.	0.75	0.14
PAT Margin	(%)	3.37	0.77
Total Debt/Tangible Net Worth	Times	3.97	1.82
PBDIT/Interest	Times	1.18	1.36

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

Not applicable

Any other information

Acuité 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
19-Nov-2018	Term Loan	Long Term	27.00	ACUITE BB- (Indicative)
07-Sept-2017	Term Loan	Long Term	27.00	ACUITE BB- (Indicative)
09-Jun-2016	Term Loan	Long Term	27.00	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	27.00	ACUITE BB- Withdrawn; Issuer not cooperating*

*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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