

Press Release

Labh Homes Creations and Holdings Private Limited

October 16, 2020



Rating Update

Total Bank Facilities Rated*	Rs.12.25 Cr. #
Long Term Rating	ACUITE B (Downgraded from ACUITE B+ / Stable) Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

Refer Annexure for details

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

Rating Rationale

Acuite has downgraded the long term rating to '**ACUITE B**' (read as **ACUITE B**) from '**ACUITE B+**' (read as **ACUITE B plus**) and reviewed the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.12.25 crore bank facilities of Labh Homes Creations and Holdings Private Limited (LCPL). This rating is now an indicative rating and is based on the best available information.

Labh Homes Creations & Holdings Private Limited (LCPL), incorporated in 2005, is engaged in developing residential projects in Mumbai (Maharashtra). Currently, the company is developing a redevelopment project in Mumbai under the name of 'Shanta Bhuvan'. The company is a part of Batavia Group which has built luxurious bungalows, flats and shops over the years marking their presence since 1972 with construction space of more than four lakh square feet.

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 the due date.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/view-rating-criteria-55.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 endeavored 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 - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

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

Not Applicable

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
07-Aug-2019	Term Loan	Long Term	10.00	ACUITE B+ / Stable (Reaffirmed)
	Bank Guarantee	Short Term	2.25	ACUITE A4 (Reaffirmed)
07-Jun-2018	Term Loan	Long Term	10.00	ACUITE B+ / Stable (Assigned)
	Bank Guarantee	Short Term	2.25	ACUITE A4 (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Term Loan	Not Available	Not Applicable	Not Available	10.00	ACUITE B (Downgraded from ACUITE B+ / Stable) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	2.25	ACUITE A4 Issuer not co-operating*

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

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research 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 8,400 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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