

Press Release

Arihant Realtors

April 22, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	195.00	ACUITE BB- Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	195.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) on the Rs.195.00 crore bank facilities of Arihant Realtors. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Established in 2006, Arihant realtors (AR) is a Special Purpose Vehicle (SPV) promoted by Mumbai based A & O Realty, engaged in the business of real estate development. Presently the firm is developing a Slum redevelopment residential project, 'F-residencies' located in Ghatkopar East. AR is a partnership firm with Mr. Chetan Bhanushali (1%), Mr. Praveen Girish Chamaria (1%), Ashapura Edifice Private Limited (62%) and Ashapura Options Private Limited (1%) holding majority stake.

About the Group

Established in 2008, KMC developers (KMC) is a Special Purpose Vehicle (SPV) promoted by Mumbai based A & O Realty, engaged in the business of real estate development. Presently the firm is developing a Slum redevelopment residential project, KMC located at Borivali East. KMC is a partnership firm wherein Ashapura Options Private Limited (AOPL) is holding 85% stake.

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.

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

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

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

Rating Sensitivity

No information provided by the issuer / available for Acuite to comment upon.

Material Covenants

Not Applicable

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon

Outlook

Not Applicable

Status of non-cooperation with previous CRA

None

Any other information

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

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>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
20 Jan 2021	Proposed Term Loan	Long Term	15.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	180.00	ACUITE BB (Downgraded and Issuer not co-operating*)
13 Nov 2019	Term Loan	Long Term	180.00	ACUITE BB+ Stable (Downgraded from ACUITE BBB- Stable)
	Proposed Term Loan	Long Term	15.00	ACUITE BB+ Stable (Downgraded from ACUITE BBB- Stable)
29 Aug 2018	Term Loan	Long Term	180.00	ACUITE BBB- Stable (Assigned)
	Proposed Term Loan	Long Term	15.00	ACUITE BBB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Not Applicable	Not Applicable	Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE BB- Downgraded Issuer not co-operating*
PNB Housing Finance Limited	Not Applicable	Term Loan	Not available	Not available	Not available	180.00	ACUITE BB- Downgraded Issuer not co-operating*

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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