

Press Release

Charmee Enterprises

July 18, 2019



Rating Withdrawn

Total Bank Facilities Rated*	Rs.40.00 Cr.
Long Term Rating	ACUITE Provisional BBB- (Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuité has withdrawn the long-term rating of 'ACUITE Provisional BBB-' (read as ACUITE provisional triple B minus) on the Rs. 40.00 crore bank facilities of Charmee Enterprises (CE). This rating is an indicative rating and is based on best available information.

The Rating is being withdrawn on the request of CE as the management of the company has decided not to proceed with the proposed financial tie-up.

Established in 2003, Charmee Enterprises (CE) is a Special Purpose Vehicle (SPV) promoted by Mumbai based A & O group, engaged in the business of real estate development. Presently, the firm is engaged in a slum redevelopment residential project 'Florante' located at Andheri East. CE is a partnership firm with AOPL holding 32 percent stake.

Analytical Approach

Acuité has consolidated the financial and business profiles of Arihant Realtors, Charmee Enterprises and KMC Developers together referred to as the A&O Group. The consolidation is in view of the common ownership, and similar line of business.

About the Rated Entity - Key Financials

	Unit	FY19 (Provisional)	FY18 (Actual)	FY17 (Actual)
Operating Income	Rs. Cr.	18.77	73.09	80.49
EBITDA	Rs. Cr.	0.28	4.23	3.31
PAT	Rs. Cr.	0.26	4.23	1.83
EBITDA Margin	(%)	1.48	5.78	4.11
PAT Margin	(%)	1.37	5.78	2.28
ROCE	(%)	0.11	2.32	1.98
Total Debt/Tangible Net Worth	Times	8.80	9.24	7.51
PBDIT/Interest	Times	15.35	354.16	190.23
Total Debt/PBDIT	Times	880.08	46.14	39.22
Gross Current Assets (Days)	Days	8,466	1,901	1,318

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

None.

Any other information

None.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Real Estate Entities - <https://www.acuite.in/view-rating-criteria-41.htm>
- Consolidation of Entities - <https://www.acuite.in/view-rating-criteria-22.htm>
- Financial Ratios And Adjustments- <https://www.acuite.in/view-rating-criteria-20.htm>

Note on complexity levels of the rated instrument
<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
29-Aug-2018	Proposed Term Loans	Long Term	40.00	ACUITE Provisional BBB-/Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Proposed Term Loans	Not Applicable	Not Applicable	Not Applicable	40.00	ACUITE Provisional BBB- (Withdrawn)

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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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