

Press Release

Sara Builders and Developers

January 21, 2021



Rating Update

Total Bank Facilities Rated*	Rs. 120.00 crore
Long Term Rating	ACUITE BB- (Downgraded and Indicative)

Refer Annexure for details`

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

Rating Rationale

Acuité has downgraded the long-term rating from '**ACUITE BB**' (read as **ACUITE double B**) to '**ACUITE BB-**' (read as **ACUITE double B minus**) on the Rs.120.00 crore bank facilities of Sara Builders and Developers. This rating is now an indicative rating and is based on best available information.

Established as a partnership firm in 1997 by Mr. Sitaram Agarwal, Sara Builders and Developers is engaged in the construction and development of residential real estate projects. The firm is based in Aurangabad. At present, it is constructing and developing around 3 projects, of which two are located in Pune and one in Aurangabad. The group has delivered a staggering 7000+ homes in Aurangabad and 1500+ homes in Pune. The Group has already developed roughly 50 lac sq.ft area.

Analytical Approach

Acuité has considered the standalone business and financial risk profile of SBD to arrive at this rating.

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 the due date.

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

Liquidity Indicators

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

Rating Sensitivity

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

About the Rated Entity - Key Financials

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

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
11-June-2019	Term Loans	Long Term	40.00	ACUITE BB/Stable (Assigned)
	Term Loans	Long Term	20.00	ACUITE BB/Stable (Assigned)
	Term Loans	Long Term	50.00	ACUITE BB/Stable (Assigned)
	Term Loans	Long Term	10.00	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. Cr.)	Ratings/Outlook
Term Loans	Not Available	Not Applicable	Not Available	40.00	ACUITE BB- (Downgraded and Indicative)
Term Loans	Not Available	Not Applicable	Not Available	20.00	ACUITE BB- (Downgraded and Indicative)
Term Loans	Not Available	Not Applicable	Not Available	50.00	ACUITE BB- (Downgraded and Indicative)
Term Loans	Not Available	Not Applicable	Not Available	10.00	ACUITE BB- (Downgraded and Indicative)

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

Contacts

Analytical	Rating Desk
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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 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.

Disclaimer: *An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.*