



Press Release
Alekhya Property Developments Private Limited
July 28, 2023
Rating Withdrawn

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---|------------------|----------------------------|-------------------|
| Non Convertible Debentures (NCD) | 150.00 | Not Applicable Withdrawn | - |
| Total Outstanding Quantum (Rs. Cr) | 0.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 150.00 | - | - |

Rating Rationale

Acuite has withdrawn the rating on Rs.150.00 Cr Non Convertible Debentures (NCD) of Alekhya Property Developments Private Limited (APDPL).

The rating has been withdrawn on account of request received from the company and NDC received from Debenture Trustee as per Acuite's policy on withdrawal of ratings.

About the Company

Alekhya Property Development Private Limited is a SPV floated by Adarsh Developers. It is currently developing an apartment project "Lake Front" in Kaikondrahalli, North Bangalore. Earlier the project was launched in 2014, however due to some environmental issue the project was stalled and again relaunched in 2020. The project has a total of 344 units with 0.68 mn sqft of builtup area out of which APDPL has a share of full 344 villas with 0.68 mn sqft. Out of total 344 units, 337 units has already been sold.

About the Group

Established in 1988, by Mr. BM Jayeshankar and Mr. BM Karunesh, Adarsh Developers (AD) is a partnership firm engaged in carrying out the business of development and construction of residential and commercial projects. AD is the flagship as well as holding company of the Adarsh Group. Further, the group has ventured into hospitality business also.

Shreshta Infra Projects Pvt Ltd. is a SPV floated by Adarsh Developers. It is developing a residential villa project "Sanctuary" in Kodati, Bangalore. The project has a total of 172 units with 0.58 mn sqft of builtup area out of which SIPPL has a share of 118 Villas with 0.41 mn sqft. The project will be completed by February, 2024. Out of total 118 units in "Adarsh Sanctuary", 109 units has already been sold with 0.38 mn sqft. The company is also developing "Adarsh Savana", a plotted development project with saleable area of 2.84 mn sqft in Shreshta Infra Projects Pvt Ltd. Out of total 2.84 mn sqft, 1.63 mn sqft has been sold.

Analytical Approach

Not Applicable

Key Rating Drivers

Strengths

Not applicable.

Weaknesses

Not applicable.

Rating Sensitivities

Not applicable.

Material covenants

None.

Liquidity Position

Not applicable.

Outlook:

Not applicable.

Other Factors affecting Rating

None.

Key Financials

| Particulars | Unit | FY 22 (Actual) | FY 21 (Actual) |
|-------------------------------|---------|----------------|----------------|
| Operating Income | Rs. Cr. | 10.67 | 14.65 |
| PAT | Rs. Cr. | (83.29) | (26.99) |
| PAT Margin | (%) | (780.83) | (184.26) |
| Total Debt/Tangible Net Worth | Times | 542.89 | 89.78 |
| PBDIT/Interest | Times | 0.27 | 0.51 |

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-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Real Estate Entities: <https://www.acuite.in/view-rating-criteria-63.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|-------------------------------------|-----------|-----------------|--------------------------------|
| 14 Oct 2022 | Non Convertible Debentures | Long Term | 150.00 | ACUITE B Stable (Reaffirmed) |
| 14 Oct 2021 | Proposed Non Convertible Debentures | Long Term | 150.00 | ACUITE B Stable (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Complexity Level | Quantum (Rs. Cr.) | Rating |
|------------------------------|----------------|----------------------------------|------------------|----------------|----------------|------------------|-------------------|----------------------------|
| Edelweiss Financial Services | Not Applicable | Non-Convertible Debentures (NCD) | Not Applicable | Not Applicable | Not Applicable | Simple | 150.00 | Not Applicable Withdrawn |

Contacts

| Analytical | Rating Desk |
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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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