



Press Release
HAZEL REALTY PRIVATE LIMITED
November 04, 2025

Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Non Convertible Debentures (NCD)	26.50	ACUITE BB- Downgraded Issuer not co-operating*	-
Non Convertible Debentures (NCD)	3.50	Provisional ACUITE BB- Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	30.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

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

Rating Rationale

Auite has downgraded its long-term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**)' From '**ACUITE BB**' (read as **ACUITE double B**)' on Rs. 26.50 crore Non convertible debentures (NCD's) issued by Hazel Realty Private Limited.

Acuite has also downgraded its long-term rating to '**Provisional ACUITE BB-**' (read as **Provisional ACUITE double B minus**)' from '**Provisional ACUITE BB**' (read as **Provisional ACUITE double B**)' on Rs. 3.50 Crore proposed Non convertible debentures NCD's. issued by Hazel Realty Private Limited on account of information risk. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information. The rating on the Rs.3.50 crore NCDs is provisional and the final rating is subject to (pending steps/ documentation):

1. Receipt of the No-objection Certificate (NOC) from the existing lender i.e. ICICI Bank Limited after satisfaction of debt.
2. Receipt of No Due Certificate from the existing lender i.e. ICICI Bank Limited
3. Appointment of a SEBI registered Debenture Trustee
4. Receipt of the executed Debenture Trust Deed
5. Receipt of the executed Guarantee Document
6. Opening of Escrow Account in accordance with the Term sheet
7. Confirmation from Trustee regarding the compliance with all the terms and conditions.

About the Company

Based in Chennai (Tamil Nadu) and incorporated as a private limited company in 2010, Hazel Realty Private Limited (HRPL) is engaged in developing residential units in Chennai, Tamil Nadu. The company was incorporated under the name 'VGN Pragnya Realty Private Limited' as a joint venture between VGN Group (well-known name in Chennai Real Estate Industry) and Pragnya Fund (Mauritius Based Private Equity Fund). In 2014, Pragnya Fund purchased the shares of VGN group to the extent of 26 percent of total shares of HRPL leading to Pragnya Group holding 100 percent shares in the HRPL. The company was then renamed to current name of 'Hazel Realty Private Limited'. The shareholding structure of the company has been changed and currently, Guna Developers Limited and Badrinath Commotrade Private

Limited are the ordinary shareholders and Pragnya Fund II is the shareholder in Class A equity

shares with 95% voting rights. Further, Guna Developers Limited is a Group company of Pragnya Group. Hence, effectively Pragnya Group has 99.4% economic interest and voting rights in HRPL. Currently HRPL is managed by Mr. Sri Krishna Bhogaraju and Mr. Ch Naveen Sagar. The Company is developing a residential apartment project named as "Hazel" spread across 5.67 acres of land located at Paruthipattu Village, Poonamallee Taluk, Thiruvallur District, Chennai. The residential units' size ranges from 568 sq. ft to 1647 sq. ft and the project consists of 1-BHK, 2-BHK and 3-BHK apartments. Hazel has a total of 781 units across 4 blocks (6 towers), each block comprising of a basement, stilt & 14 floors. The project has been successfully launched during the year 2012 in a phased manner and 715 units were booked as of September 2022 amounting to 8,19,571 Sq ft out of 9,13,098 Sq Ft. The value of sold units stood at Rs.294.20 Cr with current receivable amounting to Rs.33.23 Cr. The unsold units stood at 66 units amounting to 93,527 sq ft.

About the Group

Incorporated in 2003, Pragnya Fund, is a real estate private equity firm focused on developing markets in India and Sri Lanka through its real estate opportunity funds Pragnya Fund I and Pragnya Fund II. The funds are managed by Mr. Subba R Dukupati and Mr. Gopal Menon. Pragnya raised its first fund, "Pragnya Fund I" in 2005-06 with investments into 6 projects across India and Sri Lanka. Later, in 2012, Pragnya successfully raised its second fund "Pragnya Fund II" and currently is invested into 5 projects in South India and Sri Lanka. Pragnya raised its third major fund Pragnya South City Opportunity Fund in 2016-17 towards development of township in Chennai, Tamil Nadu. The projects are being developed in joint ventures with reputed local partners, achieving diversification in both products and geographies. Pragnya Group (including all the project specific entities formed) is in the process of completing over 15 million sq. ft. of Residential, Office Space, Showroom/Retail Space, SEZ, Townships, etc.

Unsupported Rating

Not Applicable

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. Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Limitation regarding information availability

This rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower) . Acuite endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

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

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	55.93	37.57
PAT	Rs. Cr.	(12.36)	(0.28)
PAT Margin	(%)	(22.10)	(0.75)
Total Debt/Tangible Net Worth	Times	(2.00)	(3.41)
PBDIT/Interest	Times	(181.48)	(3.87)

Status of non-cooperation with previous CRA

Not Applicable

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>
- Complexity Level Of Financial Instruments: <https://www.acuite.in/view-rating-criteria-55.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, Acuité 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
04 Nov 2024	Non-Convertible Debentures (NCD)	Long Term	26.50	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+)
	Proposed Non Convertible Debentures	Long Term	3.50	ACUITE Provisional BB (Downgraded & Issuer not co-operating* from ACUITE Provisional BB+)
02 Nov 2023	Non-Convertible Debentures (NCD)	Long Term	26.50	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Proposed Non Convertible Debentures	Long Term	3.50	ACUITE Provisional BB+ (Downgraded & Issuer not co-operating* from ACUITE Provisional BBB- Stable)
08 Nov 2022	Non-Convertible Debentures (NCD)	Long Term	26.50	ACUITE BBB- Stable (Assigned)
	Proposed Non Convertible Debentures	Long Term	3.50	ACUITE Provisional BBB- Stable (Reaffirmed)

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

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	INE688Q07017	Non-Convertible Debentures (NCD)	16 Dec 2021	16.00	15 Jun 2024	26.50	Simple	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Not Applicable	Not avl. / Not appl.	Proposed Non-Convertible Debentures	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.50	Simple	Provisional ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)

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

Disclosure of list of non-cooperative issuers

- Listed :- https://www.acuite.in/Non-Cooperative_Issuer_Listed.php
- Unlisted :- https://www.acuite.in/Non-Cooperative_Issuer_Unlisted.php

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About Acuité Ratings & Research

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