

**Press Release**  
**Pride Properties Private Limited**  
**April 02, 2024**



**Rating Reaffirmed and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
<b>Non Convertible Debentures (NCD)</b>	7.50	ACUITE D   Reaffirmed   Issuer not co-operating*	-
<b>Non Convertible Debentures (NCD)</b>	2.50	Provisional   ACUITE C   Reaffirmed   Issuer not co-operating*	-
<b>Total Outstanding Quantum (Rs. Cr)</b>	10.00	-	-

**Rating Rationale**

Acuite has reaffirmed the long-term rating of '**ACUITE D' (read as ACUITE D)** on Rs.7.50 crore Non-Convertible Debentures (NCDs). Acuite has further reaffirmed long term rating of **Provisional ACUITE C (read as Provisional ACUITE C)** on Rs. 2.50 crore proposed Non-Convertible Debentures of Pride Properties Private Limited (PPPL). This rating is now an indicative rating and is based on best available information.

The rating on Rs. 2.50 Cr. NCD is provisional and the final rating is subject to:

1. Receipt of final term sheet
2. Confirmation from trustee regarding the compliance with all terms and conditions.

**Rationale for reaffirmation:**

As per the information from the public domain and debenture trustee the NCD is paid in full however there is no withdrawal request and additional information from the issuer regarding the same and hence the rating is reaffirmed and flagged as Issuer Non Cooperation.

**About the Company**

Pride Properties Private Ltd was incorporated on 01 December 1987 by Mr. Munish Mahajan & Amit Mahajan located at Okhla, New Delhi. The company was initially involved in construction of buildings till 2000. The company has in past developed 4 residential projects in Delhi & NCR. However, as on date, the company has not engaged in any business since then. During the FY22, the company has planned to invest in real-estate development, undertaken by an individual; Mr. Jayesh Madhavji Parmar , for which, the company had raised Non-Convertible debenture (NCD) of Rs. 7.5 crores. The project involves construction of commercial complex in Vile Parle East, Mumbai. The complex comprises of 5 floors (including ground floor). The total estimated cost of the project is Rs. 40.0 crores, of which Rs.26.0 crores have already been incurred as on March 2022. Post the completion of project, the entire project is expected to be sold to High Net-worth Individuals.

**Unsupported Rating**

Not Applicable

**Non-cooperation by the issuer/borrower**

Acuite has been requesting for information critical for rating exercise from the rated entity. However, the issuer / borrower failed to submit such information before due date. Acuite

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**

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.

#### **Rating Sensitivities**

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 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	0.00	0.00
PAT	Rs. Cr.	(0.02)	0.00
PAT Margin	(%)	0.00	0.00
Total Debt/Tangible Net Worth	Times	4.05	0.00
PBDIT/Interest	Times	(23.91)	(22.49)

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

#### Supplementary Disclosures for provisional ratings

##### A. Risks associated with the provisional nature of the credit rating

Absence of any entity to take appropriate measures to protect the interest of the debenture holders in case of any breach of the trust deed or law.

In case there are material changes in the terms of the transaction after the initial assignment of the provisional rating and post the completion of the issuance (corresponding to the part that has been issued) Acuite will withdraw the existing provisional rating and concurrently, assign a fresh final rating in the same press release, basis the revised terms of the transaction.

##### B. Rating that would have been assigned in absence of the documentation

The rating would be equated to the standalone rating of the entity : ACUITE C

##### C. Timeline for conversion to Final Rating for a debt instrument proposed to be issued:

The provisional rating shall be converted into a final rating within 90 days from the date of issuance of the proposed debt instrument. Under no circumstance shall the provisional rating continue upon the expiry of 180 days from the date of issuance of the proposed debt instrument.

### Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- 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

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](http://www.acuite.in)

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
03 Apr 2023	Non-Convertible Debentures (NCD)	Long Term	7.50	ACUITE D   Not Applicable (Downgraded from ACUITE B   Stable)
	Proposed Non Convertible Debentures	Long Term	2.50	ACUITE Provisional C   Not Applicable (Downgraded from ACUITE Provisional B   Stable)
16 Sep 2022	Non-Convertible Debentures (NCD)	Long Term	7.50	ACUITE B   Stable (Assigned)
	Proposed Non Convertible Debentures	Long Term	2.50	ACUITE Provisional B   Stable (Reaffirmed)
16 Mar 2022	Proposed Non Convertible Debentures	Long Term	8.00	ACUITE Provisional B   Stable (Assigned)
	Proposed Non Convertible Debentures	Long Term	2.00	ACUITE Provisional 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
Not Applicable	INE0L9G07010	Non-Convertible Debentures (NCD)	28 Mar 2022	15	27 Mar 2029	Simple	7.50	ACUITE D   Reaffirmed   Issuer not co- operating*
Not Applicable	Not avl. / Not appl.	Proposed Non Convertible Debentures	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	2.50	Provisional   ACUITE C   Reaffirmed   Issuer not co- operating*

## Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President-Rating Operations Tel: 022-49294017 <a href="mailto:mohit.jain@acuite.in">mohit.jain@acuite.in</a>	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>
Sushant Kumar Mishra Senior Manager-Rating Operations Tel: 022-49294065 <a href="mailto:sushant.mishra@acuite.in">sushant.mishra@acuite.in</a>	

### 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.

**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. Ratings assigned by Acuité 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. Ratings assigned by Acuité 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](http://www.acuite.in)) for the latest information on any instrument rated by Acuité. Please visit <https://www.acuite.in/faqs.htm> to refer FAQs on Credit Rating.