

## Press Release

### Alpine Infraheights LLP

April 11, 2022

### Rating Assigned



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	10.00	ACUITE BBB-   Stable   Assigned	-
Total Outstanding Quantum (Rs. Cr)	10.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has assigned the long-term rating of '**ACUITE BBB-**' (read as **ACUITE triple B minus**) to the Rs.10.00 crore to the bank facilities of Alpine Infraheights Limited Liability Partnership (AILLP). The outlook is '**Stable**'.

### Reason for rating assigned

The rating assigned takes into account the comfort from the firm's strong promoter profile and established track record in the real estate development industry. The rating also factors in the prime location at which the project is situated ensuring a healthy demand for both residential and the commercial area. However, the rating is constrained by project execution risk and the funding risk.

### About the Company

Mumbai based Alpine Infraheights LLP is a limited liability partnership. The entity was converted from Partnership firm to Limited liability partnership firm in September 2021. Prior to that it was a partnership firm under the name Alpine properties, incorporated in July 2019.

Alpine Infraheights LLP is developing a project called Alpine primo. It is a society redevelopment project in Andheri, Mumbai comprising of 3 wing towers of 13 floors having a total builtup area of 1,30,019 sqft with both residential and commercial development. The ground floor will be occupied by the retail shops, the first floor will be occupied by the commercial area, two floors will be occupied by the parking area and ten floors will be occupied by the residential area. Out of the total 136 units available in residential space, 89 units are saleable and out of the total 72 units available in commercial space, 21 units are saleable.

The redevelopment agreement was signed in February 2021; existing structure was demolished in April 2021 and the construction started in October 2021. The commercial space is expected to be completed by August 2022 whereas the residential space is expected to be completed by March 2024.

## Analytical Approach

The team has considered the standalone business and financial risk profile of Alpine infraheights LLP (AILLP) while arriving at the rating.

## Key Rating Drivers

### Strengths

#### Extensive experience of promoters in the real estate industry

Alpine Infraheights LLP is promoted by Mr. Anil Goyal and Mr. Aniket Mhatre and was incorporated in Sep, 2021. Alpine Infraheights LLP is developing a project called Alpine primo. It is a society redevelopment project in Andheri, Mumbai comprising of 3 wing towers of 13 floors having a total builtup area of 1,30,019 sqft with both residential and commercial development. The promoters of the firm have experience of more than two decades in the real estate segment. Mr. Anil Goyal has been in the real estate development business since 2005 and has completed a residential project in the renowned area of Pali hill, Bandra along with four commercial real estate development projects. He now has a portfolio of 150000 sqft of commercial space. The other partner, Mr. Aniket Mhatre is the promoter of Haritara group which was established in 1978 and is one of the renowned developers in Dahisar area. The group has completed 12 development projects in the area of Dahisar while 6 projects are still under construction.

Acuité believes that the experience of the promoters in the real estate development will benefit the project of the firm over the medium term.

#### Locational advantage

The firm is developing a project named 'Alpine primo' which is a society redevelopment project in Andheri, Mumbai comprising of 3 wing towers of 13 floors having a total builtup area of 1,30,019 sqft with both residential and commercial development. The project is expected to receive benefits of being located at a very prime location at JP road, Andheri west, Mumbai. Andheri is known be a premium real estate location and has experienced a huge demand in the past from the elite class. Alpine primo is at a distance of around 700 mtr from Andheri Railway station and 5.2 kms from the airport. This connectivity element may bring up healthy demand for the residential space. The hospitals like Citi care hospital and Kokilaben hospital are in the range of 2-3 kms from the project. Also, all the other leisure amenities like shopping centers, Andheri sports complex, Cinema halls, Andheri recreation club are in the range of 600mts to 2.8 kms from the project. The proximity to the various amenities is likely to attract clienteles to occupy the residential and the commercial space.

### Weaknesses

#### Funding risk

The project is still at a nascent stage wherein till now only the plinth is completed. The total estimated cost of project is around Rs.180.85 Cr., which is expected to be funded through promoters' contribution of Rs.21.88 Cr., a debt from bank of Rs.65 Cr. and the advances expected from the customers of Rs.94.38 Cr. However, the firm is yet to achieve the financial tie-up with the lenders. Hence, any deviation relating to the funding from the banks can impact the timeline and the cashflows of the project.

#### Timely execution of the project

The redevelopment project comprises of 3 wing towers of 13 floors having a total buildup area of 1,30,019 sq. ft. with both residential and commercial development. The ground floor will be occupied by the retail shops, the first floor will be occupied by the commercial area, two floors will be occupied by the parking area and ten floors will be occupied by the residential area. The redevelopment agreement was signed in February 2021; existing structure was demolished in April 2021 and the construction started in October 2021. The commercial space is expected to be completed by August 2022 whereas the residential

space is expected to be completed by March 2024. Any deviation from the schedule completion dates can impact the future cash flows of the project.

Acuité believes that any delays in the execution of the project leading to cost and time overrun will remain a key rating sensitivity factor.

### **Rating Sensitivities**

A successful implementation of project without time and cost overruns  
Financial Closure with specified timelines

### **Material covenants**

None

### **Liquidity Position Adequate**

The firm liquidity position is adequate marked by sufficient cash inflows to service its debt obligations. The firm is currently developing a redevelopment project at Andheri, Mumbai. The total cost of the project is expected around Rs.181 Cr. which will be funded by promoter's contribution, advances from the customers and through bank lines. The firm is expecting a healthy demand for the real estate due to the prime location at which the project is situated. The cashflows are expected to generate from Q1FY23. Acuité believes that the ability of the firm to complete the finance closure proceedings and completion of the project within specified timelines will remain a key monitorable for the over the medium term.

### **Outlook: Stable**

Acuité believes that the outlook on AILLP's rated facilities will remain stable over the medium term on account of experience of the partners in the real estate domain. The outlook may be revised to 'Positive' in case of significant improvement free cash flow from operations. Conversely, the outlook may be revised to 'Negative' in case of any undue delay in the completion of project, or less-than-expected customer advances leading to stretch in its liquidity position.

### **About the Rated Entity - Key Financials**

The firm is yet to start commercial operations therefore financials are not applicable.

### **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>
- Real Estate Entities: <https://www.acuite.in/view-rating-criteria-63.htm>

**Note on complexity levels of the rated instrument**

<https://www.acuite.in/view-rating-criteria-55.htm>

**Rating History:**

Not Applicable

**Annexure - Details of instruments rated**

<b>Lender's Name</b>	<b>ISIN</b>	<b>Facilities</b>	<b>Date Of Issuance</b>	<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Quantum (Rs. Cr.)</b>	<b>Rating</b>
Not Applicable	Not Applicable	Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE BBB-   Stable   Assigned

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### About Acuité Ratings & Research

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