



Rating Rationale

Amit Realty Private Limited

12 May 2017

Brickwork Ratings reaffirms the ratings for the Bank Loan Facilities of Rs. 11.59 Crores of Amit Realty Private Limited ('ARPL' or the 'Company'):

Particulars

Facility Rated	Amount (Rs. Crs)		Tenure	Rating [^]	
	Previous	Present		Previous	Present
Fund Based Lease rental Discounting	14.27	11.59	Long Term	BWR BBB- (SO) Outlook: Stable	BWR BBB- (SO) Outlook:Stable
Total	14.27	Rs. 11.59 Crores (Rupees Eleven Crores and Fifty Nine Lakhs Only.)			

[^] Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

Rating Reaffirmed

Rationale/Description of Key Rating Drivers/Rating sensitivities:

The above rating has been assigned to the Lease Rental Discounting (LRD) loan of Amit Realty Private Limited which is backed by the lease rentals of its 4 anchor stores, namely Big Bazaar, Max Lifestyle, PVR Cinemas and Reliance Digital.

The rating takes into account the business experience of the promoters in the Real Estate Industry, favourable location of the mall, comfortable gearing levels and debt protection metrics, LRD facility backed by the lease rentals of its anchor stores and availability of escrow mechanism. ARPL has adequate monthly rent receipts from its 4 anchor stores to meet debt obligations. Moreover, other revenue sources such as income from car parking; advertising and promotional events provide additional support. The rating, however, is constrained by relatively small scale of operations. Going forward, the Company's ability to improve its scale of operations, net worth, profitability and timely servicing of debt obligations shall remain the key rating sensitivities.



Rating Outlook: Stable

BWR believes the **Amit Realty Private Limited** business risk profile will be maintained over the medium term. The ‘Stable’ outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenues and profit show sustained improvement. The rating outlook may be revised to 'Negative' if the revenues go down and profit margins show lower than expected figures.

About the Company

Amit Realty Private Limited (ARPL) was incorporated in 2007. The registered head office of the Company is located in Kolkata, West Bengal. ARPL has constructed a mall in Bokaro Steel City, Jharkhand. The mall is constructed on a land area of ~2 acres, on lease from Steel Authority of India Limited(SAIL) for 99 years and has all the usual facilities. The anchor stores of the mall are Big Bazaar, PVR Cinemas, Max Lifestyle and Reliance Digital. The directors of the Company are Mr. Amit Tekriwal, Mr. Dharmendra Jain and Mr. Madan Lal Jain.

Company Financial Performance

The Company has reported Net Loss of Rs. 0.04 Crore on total operating income of Rs. 11.11 Crores in FY16 against Net Profit of Rs. 0.54 Crore on total operating income of Rs. 16.76 Crores in FY15.

Rating History for the last three years (including withdrawn/suspended ratings)

Sl. No.	Instrument /Facility	Current Rating (Year 2017)			Rating History		
		Type (Long Term/Short Term)	Amount (Rs Crs)	Rating	12- Jan- 2016*	2015	2014
1	Fund Based	Long Term	11.59	BWR BBB- (SO) (Stable)	BWR BBB- (SO) (Stable)	-	-

*Rated amount was Rs. 14.27 Crores

Status of non-cooperation with previous CRA- Not applicable



Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Structured Obligation](#)

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For print and digital media

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Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

DISCLAIMER

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