RATING RATIONALE

18 Jan 2021

Arihant Corporation

Brickwork Ratings Revises the ratings for the Bank Loan Facilities of ₹ 20.00 Crores of Arihant Corporation based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (Oct, 2019)^	Present
Fund based	20.00	20.00	Long Term	BWR BB+ Stable	BWR B+ Stable Issuer Not Cooperating* Downgraded
Total	20.00	20.00	INR Twenty Crores Only.		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings
^Rating not reviewed advisory issued on 27 Oct, 2020.
* Issuer did not cooperate, based on best available information.
Details of Bank facilities is provided in Annexure-I

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

The rating of the said entity was due for a review. BWR took up with the issuer to provide required information over emails and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the issuer/Company, BWR is unable to assess the issuer's/Company's financial performance and its ability to service its debt and maintain a valid rating. Hence, based on best available information, Brickwork Ratings has downgraded the long term ratings and reaffirmed the short term ratings to the ISSUER NOT COOPERATING* category.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non- transparency and withholding of the information required for a review of the rating.

COMPANY PROFILE (As Available with BWR on Oct 2019)

M/s. Arihant Corporation, was incorporated on 30th July 2016 as a Partnership Firm in Vesu, Surat. The firm belongs to ‚Times Group‛, which is among the renowned groups of Surat city engaged in real estate industry.
The firm is executing a residential project namely “TIMES LUXURIA” at vesu, Suart, Gujarat. The project consists of an eleven storey tower that offer 176 residential flats (extended from 136 flats) with a built up area of 254513 sq.ft. The construction work commenced in July-2016 and is expected to be completed by September-2020. The firm has obtained all necessary approvals/permissions for land and construction and RERA Approval for revised plan. The estimated cost of the project is Rs 70.99 Crs and total cost incurred on the project till 30th September is Rs 54.05 Crs.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY

It is having an INC rating with CRISIL of CRISIL B (Stable)/A4 INC issued on 16 April, 2020 for the debt size of Rs. 6.50 Crs.

RATING HISTORY

Instrument / Facilities	**Current Rating**			**Rating History**		
	Tenure	Amount (₹ Cr)	Rating	2020	24 Oct, 2019	05 April, 2018
Fund Based	Long Term	20.00	BWR B+ Stable Issuer not cooperating* Downgraded	-	BWR BB+ Stable	BWR BB Stable
Total		20.00	INR Twenty Crores Only.			

^Rating not reviewed advisory issued on 27 Oct, 2020.
* Issuer did not cooperate, based on best available information.

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- **General Criteria**
- **Approach to Financial Ratios**

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ANNEXURE I

Arihant Corporation

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1	UCO Bank	Fund Based: Term Loan	20.00	-	20.00
TOTAL					20.00

Total Rupees Twenty Crores only.

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