

Ratings

Rating Rationale

December 18, 2019 | Mumbai

Rajesh Estates And Nirman Private Limited

Issuer not cooperating, based on best-available information; Rating downgraded to 'CRISIL D Issuer Not Cooperating'

Rating Action

Rs.297.6 Crore Non Convertible Debentures	CRISIL D (ISSUER NOT COOPERATING; Downgraded from 'CRISIL B+/Stable ISSUER NOT COOPERATING')*
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1 crore = 10 million

Refer to annexure for Details of Instruments & Bank Facilities

*Issuer did not cooperate; based on best-available information

Please note that the rating(s) are based on best available information with the credit rating agency: the entity whose debt is being published via this press release did not provide the requisite information needed to conduct the rating exercise and is therefore classified as 'non cooperative'.

Non cooperation by Issuer

CRISIL has been following up with the Rajesh Estates And Nirman Private Limited (RENPL) for getting information through letters and emails, dated April 30, 2019, and June 24, 2019, apart from various telephonic communications. However, the issuer has continued to be non-cooperative.

'The investors, lenders, and all other market participants should exercise due caution while using the rating assigned/reviewed with the suffix 'issuer not cooperating'. This rating lacks a forward-looking component as it is arrived at without any management interaction and is based on best available, limited, or dated information on the company'.

Detailed Rationale

The rating downgrade reflects delays in interest payment on the NCDs, based on publicly available information.

Despite repeated attempts to engage with the management, CRISIL failed to receive any information on either the financial performance or strategic intent of the company, which restricts CRISIL's ability to take a forward-looking view on the its credit quality. CRISIL believes the information available is consistent with 'Scenario 1' outlined in the Framework for Assessing Consistency of Information with 'CRISIL BB' category or lower'.

Therefore, on account of inadequate information, lack of management cooperation and delays in interest servicing, CRISIL has downgraded the rating on the non-convertible debentures (NCDs) of RENPL's to '**CRISIL D Issuer Not Cooperating**' from 'CRISIL B+/Stable Issuer Not Cooperating'.

About the Company

Incorporated in 1996, RENPL is a fully owned subsidiary of Rajesh Constructions Company Pvt Ltd (the flagship company of the Rajesh group). RENPL is developing two projects, Raj Grandeur and Raj Embassy, and has recently started developing Raj Torres, in Thane, Maharashtra, aggregating to a total saleable area of 19 lakh square foot.

The Rajesh group is a Mumbai-based real estate developer, promoted by Mr Raghavji Patel. Group companies have been engaged in real estate construction and development for over 50 years. Operations are currently managed by the third-generation of the family, Mr Priyal Patel and Mr Pratik Patel. The group has nearly 86 lakh square foot of area under development across various projects in Mumbai as on date.

Any other information: Not applicable

Note on complexity levels of the rated instrument:

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Annexure - Details of Instrument(s)*

ISIN	Name of Instrument	Date of Allotment	Coupon Rate %	Maturity Date	Issue Size (Rs.Cr)	Rating Assigned with Outlook
INE331M07120	Non-convertible debenture	05-Jan-2017	15	05-Mar-2021	190	CRISIL D/Issuer Not Cooperating
INE331M07104	Non-convertible debenture	14-Aug-2015	8	13-Aug-2020	54	CRISIL D/Issuer Not Cooperating
INE331M07112	Non-convertible debenture	16-Sep-2015	8	15-Sep-2020	53.6	CRISIL D/Issuer Not Cooperating

*Issuer did not cooperate; based on best-available information

Annexure - Rating History for last 3 Years

	Current	2019 (History)	2018	2017	2016	Start of 2016

Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Non Convertible Debentures	LT	297.60 18-12-19	CRISIL D (Issuer Not Cooperating)*	15-10-19	CRISIL B+/Stable (Issuer Not Cooperating)*	31-07-18	CRISIL B+/Stable (Issuer Not Co-operating)*	28-07-17	CRISIL B+/Stable	24-11-16	CRISIL BB-/Stable	CRISIL BB-(SO)/Stable
				11-10-19	CRISIL B+/Stable (Issuer Not Cooperating)*			12-07-17	CRISIL BB-/Stable	01-11-16	CRISIL BB-/Stable	
				16-07-19	CRISIL B+/Stable (Issuer Not Cooperating)*							

All amounts are in Rs.Cr.

*Issuer did not cooperate; based on best-available information

Links to related criteria

[CRISILs Approach to Financial Ratios](#)

[Framework for Assessing Information Adequacy Risk](#)

[Rating Criteria for Construction Industry](#)

[CRISILs Approach to Recognising Default](#)

[The Rating Process](#)

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