

# SUVITA REAL ESTATES PRIVATE LIMITED

Registered Office: - SP Centre, 41/44, Minoo Desai Marg, Colaba, Mumbai – 400005

CIN: U45309MH2019PTC332035 | Tel: 022 67490000

Website: [www.suvitarealestates.com](http://www.suvitarealestates.com)

January 08, 2025

To,

**BSE Limited**

P. J. Towers, Dalal Street,

Mumbai – 400 001.

Dear Sir/ Madam,

**Subject: Intimation for revision in rating of the listed non-convertible debentures issued by Suvita Real Estates Private Limited (“the Company”)**

**Scrip Code: 975377**

In terms of Regulation 55 and Regulation 51(2) read along with Part B of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), this is to inform that credit rating of the listed Non-Convertible Debentures issued by the Company has been revised as below:

<b>From (old)</b>	<b>To (revised)</b>
ACUITE C (read as ACUITE C)	ACUITE B- (read as ACUITE B Minus)

Please find enclosed herewith the press release dated January 07, 2025, issued by Acuite Ratings & Research Limited in this regard.

Request you to kindly take the same on record and oblige.

Thanking you,

*For Suvita Real Estates Private Limited*

**Vrushali Valawalkar**

**Company Secretary & Compliance Officer**

**Membership No. A67775**

Enclosed a/a.



## Press Release

January 07, 2025

### SUVITA REAL ESTATES PRIVATE LIMITED Rating Upgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Non Convertible Debentures (NCD)	105.00	ACUITE B-   Stable   Upgraded	-
Total Outstanding	105.00	-	-
Total Withdrawn	0.00	-	-

#### Rating Rationale

Acuite has upgraded the long-term rating to '**ACUITE B-**' (read as **ACUITE B Minus**) from '**ACUITE C**' (read as **ACUITE C**) on Rs. 105.00 Cr. of Non-Convertible Debentures (NCDs) of Suvita Real Estates Private Limited (SREPL). The outlook is '**Stable**'.

#### Rationale for rating upgrade

The rating upgrade reflects the regularization of the account, as evidenced by the issuer's timely coupon payments on the NCDs till date. However, the rating is constrained by the high interest burden coupled with company's poor liquidity position, as it is entirely dependent on cashflows from its group company to meet future coupon payments and repayment of the NCD at the end of its tenure.

#### About the Company

Mumbai based, Suvita Real Estates Private Limited is incorporated in 2019 is wholly own subsidiary of Shapoorji Pallonji Real Estate Private Limited (Formerly known as Shapoorji Pallonji Construction Private Limited) which in turn is a subsidiary of Shapoorji Pallonji and Company Private Limited. The current directors of the company are Mr. Rajesh Baxi, Mr. Kanishka Phatak and Mr. Jotish Jha.

#### Unsupported Rating

Not Applicable.

#### Analytical Approach

Acuite has considered the standalone business and financial risk profile of SREPL to arrive at the rating.

#### Key Rating Drivers

##### Strengths

##### Extensive experience of promoter in real estate business

SREPL is a wholly owned subsidiary of Shapoorji Pallonji Real Estate Private Limited (Formerly known as Shapoorji Pallonji Construction Private Limited). The Shapoorji Pallonji group is a well-established and diversified group in India, having operations in various fields such as construction, real estate, infrastructure, water, energy etc, having significant value of land and property holdings.

##### Timely debt servicing

As of November 2024, SREPL has been consistent in making timely coupon payments of its existing debt obligations. These payments have been managed through the interest income generated from advances provided to a group company.

##### Weaknesses

##### High interest burden

The company had successfully refinanced the existing NCD in February 2024. However, the refinancing of the same has happened at a significantly higher coupon rate creating an additional stress on liquidity of the company. Furthermore, according to the terms of the NCD, if SREPL fails to repay the NCD within 12 months from the issuance date, the coupon rate will increase by 300 basis points retrospectively, adding an additional interest burden on the company.

**High dependence on group company for servicing near term debt**

The current NCD has been issued for a shorter period of 15 months, with repayment scheduled for May 2025. At present, the company does not have sufficient cashflows to meet the repayment obligations. According to the management, the repayment of the NCD will be financed through cashflows from the group company and the monetization of land within the group company which is marked as collateral of this rated NCD.

**Rating Sensitivities**

- Timely servicing of debt obligation.

**All Covenants**

- Hypothecation of 100% receivables, Development Rights, FSI of the collateral Security, and any other rights and benefits.
- Minimum Asset Cover of 0x at all times.
- Minimum Free Cash Flow Cover of 2.0x at all times.

**Liquidity Position****Poor**

The liquidity of the company is marked poor as it had previously defaulted on its NCD repayment obligations. Further, the company has refinanced the same at a higher coupon payment. Going ahead, the group will be monetizing land to repay the current NCD issued by SREPL.

**Outlook: Stable****Other Factors affecting Rating**

None.

**Key Financials**

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	15.50	15.50
PAT	Rs. Cr.	(11.95)	(4.92)
PAT Margin	(%)	(77.06)	(31.75)
Total Debt/Tangible Net Worth	Times	(5.18)	(9.33)
PBDIT/Interest	Times	0.52	0.72

**Status of non-cooperation with previous CRA (if applicable)**

Not Applicable.

**Any other information**

None.

**Applicable Criteria**

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Rating Process and Timeline: <https://www.acuite.in/view-rating-criteria-67.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**

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**

<b>Date</b>	<b>Name of Instruments/Facilities</b>	<b>Term</b>	<b>Amount (Rs. Cr)</b>	<b>Rating/Outlook</b>
21 Feb 2024	Non-Convertible Debentures (NCD)	Long Term	95.00	ACUITE C (Assigned)
	Non-Convertible Debentures (NCD)	Long Term	10.00	ACUITE C (Assigned)
08 Jan 2024	Proposed Non Convertible Debentures	Long Term	95.00	ACUITE Provisional C (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	10.00	ACUITE Provisional C (Assigned)
20 Dec 2023	Proposed Non Convertible Debentures	Long Term	95.00	ACUITE Provisional C (Assigned)

**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>Complexity Level</b>	<b>Rating</b>
Not Applicable	INE0E1F07026	Non-Convertible Debentures (NCD)	12 Feb 2024	17.25	07 May 2025	95.00	Simple	ACUITE B-   Stable   Upgraded ( from ACUITE C )
Not Applicable	INE0E1F07026	Non-Convertible Debentures (NCD)	12 Feb 2024	17.25	07 May 2025	10.00	Simple	ACUITE B-   Stable   Upgraded ( from ACUITE C )

**Contacts**

<p>Mohit Jain Senior Vice President - Rating Operations</p>	<p><b>Contact details exclusively for investors and lenders</b></p>
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**About Acuite Ratings & Research**

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