

Press Release**Primetime Realtors Private Limited (PRPL)****March 25, 2020****Ratings**

Sl. No.	Instrument/Facility	Amount (INR Crore)	Rating Assigned
1	Proposed Non-Convertible Debenture (NCD)	350.00	IVR BB/ Stable Outlook; (IVR Double B with Stable Outlook)
Total		350.00	

Details of facilities are in Annexure 1**Rating Rationale**

The rating derives strength from experienced promoters & long track record, construction completed, location Advantage and Proposed creation of DSRA. The rating however is constrained by uncertainty related to finalisation of lease and susceptibility to cyclical nature inherent in the Real Estate sector.

Key Rating Sensitivities:

- **Upward Factor** – Entering of lease agreement and generation of cash flows as envisaged will lead to an upgrade.
- **Downward Factor** -Any delay in entering into the lease agreement for the entire leasable area as projected will be negative for the rating.

Detailed Description of Key Rating Drivers**Key Rating Strengths****Experienced promoters and long track record**

Promoters of the company had a long track record of more than two decades in the real estate sector. The promoters are supported by a team a qualified & experienced management.

Construction completed

The project has been completed and the completion certificate received dated October 17, 2019.

Location Advantage

The project is located in the KG Marg, New Delhi, which is one of the commercial hub of Delhi. The area is also well connected with all the major means of conveyance.

Proposed creation of DSRA

The company should at all points of time maintain a DSRA with balance equal to at least next 6 months of Interest Payment due under the Facility. DSRA to be created from a Cash flow and cannot be created from proceeds of the Facility.

Key Weaknesses

Uncertainty related to finalisation of lease

The company has not yet entered into the lease agreement which create uncertainty to the projected cash flows. However, it is into the advance talks with many of the expected lessee.

Susceptibility to cyclicalities inherent in the Real Estate sector

The real estate sector is volatile in nature with an inherent liquidity risk associated to it. There may be fluctuations in cash flows due to delayed realization & changes in regulatory requirements. The uncertainties pertaining around Covid-19 also dent the demand of commercial as well as residential real estate demand.

Analytical Approach & Applicable Criteria:

- Standalone: The rating assigned is a comment only on the serviceability of the proposed NCD of which the issuer's (PRPL) Promoter's (Fund) proposed manager & sponsor is Indiabulls Asset Management Company Limited & Indiabulls Housing Finance Limited respectively.
- Rating Methodology for Real Estate Entities
- Financial Ratios & Interpretation (Non-Financial Sector)

Liquidity: Adequate

The Projected cash flow seems to be adequate. However, any delay in finalising the lease agreements can put pressure on the cash flow of the company.

About the company

Primetime Realtors Private Limited (PRPL) is legal owner of plot of land at 27 K G Marg, New Delhi. PRPL is being held by the funds of which the sponsor is Indiabulls Housing Finance Limited. Construction certificate received dated October 17, 2019. Total leasable is 1,57,289 square feet.

Financials (Standalone)

Financial table has not been presented as there is no material financial information

Details of Non Cooperation with any other CRA: Nil

Any other information: N.A

Rating History for last three years:

Name of Instrument/ Facilities	Current Rating (Year 2019-20)			Rating History for the past 3 years		
	Type	Amount outstanding (Rs. Crore)	Rating	Rating assigned in 2018-19	Rating assigned in 2017-18	Rating assigned in 2016-17
Long Term Facilities	Proposed Non-Convertible Debenture (NCD)	350.00	IVR BB/ Stable Outlook	--	--	--
	Total	350.00				

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

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About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Company's

long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

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Annexure 1: Details of Facilities

S. no	Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. crores)	Rating Assigned/ Outlook
1	Proposed Non-Convertible Debenture (NCD)	--	12.25% p.m.	3 Years from the date of first drawdown	350.00	IVR BB/ Stable Outlook
Total					350.00	