



Press Release

Alankar Apartments Private Limited

November 27, 2024

Ratings

Sl. No.	Instrument/ Facility	Amount (Rs. Crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
1.	Long Term Bank Facilities	728.25	IVR D (IVR Single D)	IVR D (IVR Single D)	Reaffirmed	Simple
	Total	728.25	Rupees Seven Hundred Twenty-Eight Crore and Twenty-Five Lakhs Only			

Details of Facilities are in Annexure 1

Facility wise lender details are at Annexure 2

Detailed explanation of covenants is at Annexure 3

Detailed Rationale

Infomerics Valuation and Rating Private Limited (IVR) has reaffirmed the long-term rating of IVR D for the bank loan facilities of Alankar Apartment Private Limited (AAPL).

The lenders have confirmed that there are still continuous delays in repayment obligations.

IVR has principally relied on the audited financial results of AAPL's up to 31 March 2024, (refers to period from 1st April 2023 to 31st March 2024) and cashflow projections from FY25, till FY32, and publicly available information/ clarifications provided by the company's management.

Upward factors

- Regularization of accounts and continuously timely servicing of debt obligations for a period of 90 days.

Downward factors: Nil

List of Key Rating Drivers with Detailed Description



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Key Rating Strengths

- **Experienced promoter and management team:**

Alankar Apartments Private Limited (AAPL) is a part of the Ambience group which has been in the real estate industry for over three decades. The Group is engaged in the acquiring, developing, and marketing of real estate business. The day-to-day operations and construction and development work of the company are looked after by Mr Arjun Gehlot, CA, Project development and marketing activities are looked after by Mr. Aman Gehlot, CA, with over 8 years of experience in the business. The day-to-day affairs of the group are managed by experienced professional.

- **Reputed clientele with low counterparty risk:**

There are over 20 lessees in the tower which are the leading corporates having long term lease arrangement with the company with satisfactory track record of payment of rents. Lease rent is deposited into the escrow account under the irrevocable undertaking given by lessees. As per the terms of the sanction interest and instalments to be served first from the escrow account and thereafter the funds will be transferred to AAPL. Floors are leased out for an average period of 5 years with a lock in period of 3 years and in certain cases for longer tenor as well. The lease rentals are increased by 10% after every lock-in period of three years.

Key Rating Weaknesses

- **Delay in servicing the debt obligation:**

There have been continuous delays in debt servicing by the company as confirmed by the lenders.

Analytical Approach: For arriving at the ratings, INFOMERICS has applied its rating methodology as detailed in the rating criteria below. IVR has analysed AAPL's credit profile by considering the standalone financial statements of the company.

Applicable Criteria:

[Rating Methodology for Real Estate Companies.](#)

[Rating Methodology for Lease Rental Discounting \(LRD\)](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\).](#)

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)

Liquidity – Poor



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The liquidity position of the company is poor as the company is unable to repay its debt obligations during the last one year on timely basis.

About the Company

Alankar Apartments Private Limited (AAPL) was incorporated in 1989 as a Private Limited Company with the main objects of carrying on the business of promotion, construction, and development of townships, colonies, commercial and residential complexes, projects, etc. The company has constructed a state-of-the-art Ambience Corporate office tower II at Ambience Island, NH-8. The tower is one of the best located corporate office complexes in Gurgaon at Ambience Island Township. The complex is comprised of Ground + eleven floors (12 levels) with three-level basements and a stilt floor. The total leasable area in the Tower is 10.68 lacs sq. ft. Further, there is dedicated car parking for 1100 cars for the lessees in the tower.

Financials (Standalone):

	(Rs. crore)	
For the year ended*/As on	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	162.41	162.64
EBITDA	154.30	147.95
PAT	66.41	47.75
Total Debt	850.05	770.28
Tangible Net worth	184.09	231.84
EBITDA Margin (%)	95.00	90.97
PAT Margin (%)	40.51	29.10
Overall Gearing Ratio (x)	4.62	3.32
Interest Coverage Ratio (x)	1.90	1.70

**Classification as per Infomerics' standards*

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:



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Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24 (November 09, 2023)	Date(s) & Rating(s) assigned in 2022-23 (August 12, 2022)	Date(s) & Rating(s) assigned in 2021-22 (August 11, 2021)
1.	Fund Based	Long Term	728.25	IVR D	IVR D	IVR D	IVR BBB/ Negative

Name and Contact Details of the Rating Analyst:

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength



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of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
TL-1	-	-	October 2029	234.72	IVR D
TL-2	-	-	January 2030	97.82	IVR D
TL-3	-	-	October 2029	276.22	IVR D
TL-4	-	-	January 2030	46.19	IVR D
TL-5	-	-	June 2031	73.30	IVR D

Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-alankar-apartments-nov24.pdf>

Annexure 3: Detailed explanation of covenants of the rated securities/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable

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 [Complexity Level of Rated Instruments/Facilities](#).