Elegant Altima

March 24, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	70.00	CARE BB; Stable	Rating removed from ISSUER NOT COOPERATING category and Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings of Elegant Altima were earlier placed under the 'Issuer not cooperating' category as the firm had not provided information for carrying out the surveillance exercise. Elegant Altima has now shared the requisite information with CARE Ratings Limited (CareEdge Ratings), and the rating has been removed from 'Issuer not cooperating'.

The reaffirmation of ratings assigned to the bank facilities of Elegant Altima remains constrained by the limited track record of the firm with only one project completed in the past by the entity, the constitution of the entity as a partnership firm with inherent risk of withdrawal of capital, high concentration in Bengaluru residential market and exposure to inherent cyclicality in real estate industry. The ratings also factor in risk associated with two large upcoming projects with a total area under development estimated at 15.21 million sq ft and a total cost of ~₹700 crore and the nascent stage of operation of the project with continued high dependence on customer advance projected.

The rating, however, derives strength from improved operating performance. Sales show a steady increase, supported by adequate sales velocity, with 144 units unsold out of 437 per February 28, 2026, indicating healthy market absorption and limited inventory risk. The firm achieves significant construction progress, with major cost components incurred and critical milestones completed, thereby reducing execution risk.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Timely completion of the ongoing project within the estimated project cost and time.
- Significant improvement in sales velocity with unsold inventory being sold in the next 12-18 months

Negative factors

- Cost overruns or unforeseen delays in the completion of the project.
- Decrease in sales velocity
- Any large debt for upcoming project taking total outstanding debt over Rs.100 crore.

Analytical approach: Standalone

Outlook: Stable

The 'Stable' outlook reflects CARE Ratings Limited (CareEdge Ratings) expectation that the firm will complete the ongoing project within the stipulated timeline and ensure timely collection of receivables from sold inventory, considering the satisfactory construction progress and sales velocity in the ongoing project

Detailed description of key rating drivers:

Key weaknesses

Limited track record

The firm has limited track record with only one completed project named Elegant Altima with total saleable area of 2.84 lsf and one ongoing project, Elegant Tranquility with total saleable area of 5.72 lsf. However, comfort is drawn from the firm having no unsold inventory from the past project and significant improvement in sales velocity in the project under progress.

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Significant reliance on customer advances

Project funding depends predominantly on customer advances. Out of project cost of ₹304 crore, reliance on bank debt and promoter contribution is ~23% and ~15% respectively and ~62% is through customer advances. Thus, the project being majorly reliant on customer advances, the firm needs to maintain reasonable collection trend. A term loan of ₹70 crore has been sanctioned for the project out of which the firm has availed ₹65 crore as on February 28, 2026. The firm has witnessed satisfactory sales movement and collection trend with total collection of ~₹226 crore as on December 31, 2025. Moreover, the firm has total receivables of ₹107 crore from sold units against balance project cost and total debt Outstanding of ₹102 crore as on December 31, 2025.

The firm in in process of developing two residential projects, one at Vajralli with a saleable area of 3.28 lsf and another at Kanakpura with a saleable area of 11.93 lsf. The total cost of the project is estimated at about Rs.200 crore and 515 crore respectively. The company has incurred a total of Rs.59 crore towards the Vajralli project and Rs.15.64 crore towards the purchase of land for the said project. The same is funded out of surplus from Tranquillity and infusion of equity of Rs.31 crore. Given large size of the project with nascent stage of progress, it is exposed to project risk.

Constitution of the entity as partnership firm with inherent risk of withdrawal of capital

Elegant Altima's constitution as a partnership firm has the inherent risk of possibility of withdrawal of the partner's capital at the time of personal contingency which will affect its capital structure. Moreover, partnership firms have restricted access to external borrowing which limits their growth opportunities to some extent.

High concentration in Bengaluru residential market and exposure to inherent cyclicality in real-estate industry

Elegant Altima is exposed to concentration risk as its business depends significantly on the performance of the real estate market, primarily in Bengaluru, where its entire ongoing and upcoming projects are located. Being a cyclical industry, real estate depends on macroeconomics and the firm's dependence on a particular geography heightens such risk.

Key strengths

Significant construction progress and sales velocity in the ongoing project

The Elegant Tranquility project was launched in May 2023 and is scheduled for completion by September 2029 per RERA. The firm has demonstrated significant construction progress, with 86% of the total project cost incurred per December 31, 2025. This includes near completion of construction expenses and full settlement of land acquisition costs, indicating that the bulk of critical expenditures is already behind the firm. Promoters have contributed ₹46.24 crore per December 31, 2025, reinforcing strong financial commitment. Based on current progress, the project is expected to be completed by December 2027, well ahead of the stipulated RERA timeline. On the sales front, the firm has sold 293 units out of total 437 Units, representing 60% of the total inventory, reflecting robust demand and effective sales execution. Timely completion of the project and the ability to sustain sales velocity will remain key rating monitorable.

Experienced partners in the real estate business

Mr Chandra Prakash is the managing partner of the firm with Mr Rajesh, Mr Jayanth and Mr Manjunath as partners. In the past, the firm completed one project called Elegant Altima with total saleable area of 2.84 million sq ft and the firm has no unsold inventory from that project, indicating satisfactory market hold and acceptance of the firm's project in the Bengaluru residential market. The partners have experience of over two decades and serve as partners in other firms such as Elegant Builders and Developers, Sai Properties and Platinum Narya Infra in which several projects have been executed in the past.

Liquidity: Adequate

The liquidity profile remains adequate and is marked by timely infusion of promoter funds. The firm has been sanctioned term loan of ₹70 crore out of which it has availed ₹65 crore per February 28, 2026. The repayment is scheduled to begin from April 2028. The firm had cash and bank balances of ₹4 crore per March 31, 2024. The liquidity is supported by satisfactory sales velocity in the ongoing project. The firm has sold 3.88 Lsf of area out of its total saleable area of 5.72 Lsf and has customer advances receivable of ₹107 crore per December 31, 2025.

Applicable criteria

Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Manufacturing Companies
Financial Ratios – Non financial Sector
Rating methodology for Real estate sector

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Realty	Realty	Residential, Commercial Projects

Elegant Altima is a partnership firm incorporated on September 04, 2017. Operations are managed by Chandraprakash S, Managing Partner, alongside partners Rajesh S, Manjunath S N and Jayanth S. The firm undertakes residential real estate development and has completed one project called Elegant Altima and has an ongoing project called Elegant Tranquility, with both projects located in Bengaluru.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	28.15	1.10
PBILDT*	3.84	3.85
Profit after tax (PAT)	2.40	0.06
Overall gearing (x)	0.00	1.77
Interest coverage (x)	3,168.43	1.02

A: Audited UA: Unaudited; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan		-	-	01/03/2029	70.00	CARE BB; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	70.00	CARE BB; Stable	1)CARE BB; Stable; ISSUER NOT COOPERATING* (17-Feb-26)	1)CARE BB; Stable (04-Dec-24)	-	-

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

LT: Long term;

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

Media Contact	Analytical Contacts
Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Karthik Raj K Director **CARE Ratings Limited** Phone: +91-80-4662 5555 E-mail: karthik.raj@careedge.in
Relationship Contact Saikat Roy Senior Director **CARE Ratings Limited** Phone: 912267543404 E-mail: saikat.roy@careedge.in	Manohar S Annappanavar Associate Director **CARE Ratings Limited** Phone: +91-80-4662 5525 E-mail: manohar.annappanavar@careedge.in Saket Upadhyay Analyst **CARE Ratings Limited** E-mail: Saket.upadhyay@careedge.in

About us:

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

Disclaimer:

This disclaimer pertains to the ratings issued and content published by CARE Ratings Limited ("CareEdge Ratings"). Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. Any opinions expressed herein are in good faith and are subject to change without notice. The rating reflects the opinions as on the date of the rating. A rating does not convey suitability or price for the investor. The rating agency does not conduct an audit on the rated entity or an independent verification of any information it receives and/or relies on for the rating exercise. CareEdge Ratings has based its ratings/outlook on the information obtained from reliable and credible sources. CareEdge Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. The users of the rating should rely on their own judgment and may take professional advice while using the rating in any way. CareEdge Ratings shall not be liable for any losses that user may incur or any financial liability whatsoever to the user of the rating. The use or access of the rating does not create a client relationship between CareEdge Ratings and the user.

CAREEDGE RATINGS DISCLAIMS WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR OTHER WARRANTIES OR CONDITIONS, TO THE EXTENT PERMITTED BY APPLICABLE LAWS, INCLUDING WARRANTIES OF MERCHANTABILITY, ACCURACY, COMPLETENESS, ERROR-FREE, NON-INFRINGEMENT, NON-INTERRUPTION, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR INTENDED USAGE.

Most entities whose bank facilities/instruments are rated by CareEdge Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CareEdge Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. CareEdge Ratings does not act as a fiduciary by providing the rating. The ratings are intended for use only within the jurisdiction of India. The ratings of CareEdge Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades. CareEdge Ratings has established policies and procedures as required under applicable laws and regulations which are available on its website.

Privacy Policy applies. For Privacy Policy please refer to https://www.careratings.com/privacy_policy

© 2026, CARE Ratings Limited. All Rights Reserved.

This content is being published for the purpose of dissemination of information required as per applicable law and regulations and CARE Ratings Limited holds exclusive copyright over the same. Any reproduction, retransmission, modification, derivative works or use or reference to the contents, in whole, in part or in any form, is prohibited except with prior express written consent from CARE Ratings Limited.

For detailed Rating Report and subscription information, please visit www.careratings.com