

Ambika Brickwell LLP

January 22, 2021

Rating

Facilities	Amount(Rs. crore)	Ratings	Rating Action
Long Term Bank Facilities	-	-	Rating continues to remain under ISSUER NOT COOPERATING category; Reaffirmed and Withdrawn
Total Bank Facilities	-		

Details of instruments/facilities in Annexure-1

Detailed Rationale and Key Rating Drivers

CARE has reviewed and reaffirmed the rating assigned to the bank facilities of Ambika Brickwell LLP at CARE D; Issuer Not cooperating and has simultaneously withdrawn it, with immediate effect.

The ratings continue to take into account the delays in servicing of debt obligations due to cash flow mismatch faced by the firm pertaining to it's on-going project.

The rating withdrawal is at the request of Ambika Brickwell LLP and 'No Objection Certificate' received from the bank that has extended the facilities rated by CARE.

Detailed description of the key rating drivers

Key rating weaknesses

Delays in servicing of debt obligations

As per the interaction with the banker dated December 17, 2020, there were on-going delays in servicing the part of the interest obligations on the fund based working capital limits with fixed repayment schedule; for the month of November 2020. The delay was on account of cash flow mismatch faced by the firm pertaining to it's on-going project. The principal repayment is scheduled to commence from Quarter ended December, 2020.

Liquidity: Poor

Liquidity position of ABLLP is poor as indicated by lower accruals as against the repayment obligations. This has constrained the ability of the company to repay its interest obligations on a timely basis. Company has availed moratorium from March-August 2020 as per covid-19 regulatory package announced by RBI.

Analytical approach: Standalone

Applicable Criteria

[Policy on Withdrawal of ratings](#)

[CARE's default recognition policy](#)

[Financial ratios - Non Financial Sector](#)

[Criteria on real estate sector](#)

[Liquidity Analysis of Non-Financial Sector Entities](#)

About the Company

Ambika Brickwell LLP, belonging to Karnani Group, is a Mumbai based real estate developer established in the year 2017. The firm is established with that aim to deliver affordable houses in the Bhiwandi area of Thane district. The group foundation was laid by Mr. Shyam Karnani in the year 1960 by entering into real estate business. The group has so far developed an area of ~2 million sq. ft in cities like Mumbai, Nashik, Nagpur and Bengaluru.

Brief Financials (Rs. crore)	FY19 (Audited)	FY20 (Provisional)
Total operating income	0.00	0.00
PBILDT	10.93	13.48
PAT	-1.2	-0.6
Overall gearing (times)	0.75	0.71
Interest coverage (times)	0.95	0.99

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating History (Last three years): Please refer Annexure-2

Annexure-1: Details of Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Working Capital Limits	-	-	-	0.00	Withdrawn

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Fund-based - LT-Working Capital Limits	LT	-	-	1)CARE D; ISSUER NOT COOPERATING* (18-Dec-20)	1)CARE BB-; Stable (04-Oct-19)	1)CARE BB-; Stable (14-May-18)	-

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

Annexure 3: Complexity level of various instruments rated for this Firm

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Working Capital Limits	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's 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. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is 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 CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.