

January 14, 2020

Ronald Colaco: Continues to remain in Non-Cooperating category, Rating downgraded based on best available information

Summary of rated instruments

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term - Fund Based	15.00	15.00	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BBB (Stable) and continues to remain in the 'Issuer Not Cooperating' category
Total	15.00	15.00	

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

[^]Instrument details are provided in Annexure-1

Rationale

The ratings are downgrade because of lack of adequate information regarding Ronald Colaco performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by the rated entity". The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

As part of its process and in accordance with its rating agreement with Ronald Colaco, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA's Rating Committee has taken a rating view based on the best available information.

The previous detailed rating rationale is available on the following link: [Click here](#)

About the company

Ronald Colaco is a proprietorship firm set up in 1996, which has been functioning under Mr. Ronald Colaco, one of Bangalore's leading Non-Resident Indian entrepreneurs. The firm has two separate entities under it namely, the Clarks Exotica Resorts & Spa, and Continental Builders & Developers. Started in 2008, the Clarks Exotica Resorts & Spa is a fivestar hotel in Devanahalli, Bangalore, which is spread across 75 acres. It consists of 151 rooms, two convention centers, one restaurant, and a host of other facilities. Ronald Colaco – Land, the parent entity, is engaged in sale and purchase of landholdings; while Continental Builders & Developers is involved in the development of these landholdings into plots. The firm has completed and sold two residential layouts—'Hollywood Town' and 'Swiss Town' at Devanahalli in Bangalore

Status of non-cooperation with previous CRA

Not applicable

www.icra.in

Any other information

Not applicable

Rating history for past three years

SNo	Name of Instrument	Type	Current Rating (FY2020)			Rating History for the Past 3 years		
			Rated amount	Amount outstanding	Month-year & Rating	Month- year and Rating in		
			(Rs. crore)		January 14, 2020	FY2019	FY2018	FY2017
1	Term Loan	Long-term	15.00	-	[ICRA]BB+ (Stable);ISSUER NOT COOPERATING*	[ICRA]BBB (Stable); ISSUER NOT COOPERATING*	-	[ICRA]BBB (Stable)

*Issuer did not co-operate; based on best available information; All figures in Rs. Crore

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1 Instrument Details

ISIN No	Instrument	Type	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term Loan	Long-term	-	-	-	15.00	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING*

*Issuer did not co-operate; based on best available information; All figures in Rs. Crore

Source: Ronald Colaco

Analyst Contacts

Mr. K Ravichandran
+91 44 4596 4301
ravichandran@icraindia.com

R Srinivasan
+91 44 45964315
r.srinivasan@icraindia.com

Sahabuddin Khan
+ 033-71501129
sahabuddin.khan@icraindia.com

Sruthi Vinesh
+91-80-49225513
sruthi.vinesh@icraindia.com

Relationship Contact

Jayanta Chatterjee
+91 80 4332 6401
jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries:

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Corporate Office

Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002

Tel: +91 124 4545300

Email: info@icraindia.com

Website: www.icra.in

Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001

Tel: +91 11 23357940-50

Branches

Mumbai + (91 22) 24331046/53/62/74/86/87

Chennai + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,

Kolkata + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,

Bangalore + (91 80) 2559 7401/4049

Ahmedabad+ (91 79) 2658 4924/5049/2008

Hyderabad + (91 40) 2373 5061/7251

Pune + (91 20) 2556 0194/ 6606 9999

© Copyright, 2020 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents