

January 22, 2020

Umbel Properties Private Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term / Short-term Bank Guarantee	30.00	0.00	[ICRA]A- (Stable) / [ICRA]A2+ withdrawn
Total	30.00	0.00	

*Instrument details are provided in Annexure-1

Rationale

The ratings assigned to the borrowing facilities of Umbel Properties Private Limited (UPPL) have been withdrawn in accordance with ICRA's policy of withdrawal and suspension at the request of the company, based on the no dues certificate provided by the lender.

Key rating drivers and their description

Key rating drivers have not been captured as the ratings are being withdrawn.

Liquidity position:

Not captured as the ratings are being withdrawn.

Rating sensitivities

Not captured as the ratings are being withdrawn.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Rating Methodology for Entities in the Hotel Industry ICRA's Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	Parent: Embassy Office Parks REIT (Embassy REIT, rated [ICRA]AAA (Stable)) ICRA expects UPPL's parent to extend financial support to it, if required.
Consolidation/Standalone	The ratings are based on the standalone financial profile of the company.

About the company

UPPL is a wholly owned subsidiary of Embassy REIT. It owns the Hilton Bangalore Embassy Golflinks hotel in Embassy Golflinks Business Park. The hotel is a 247-room five-star deluxe property, which is operated through a management contract with Hilton International Co.

Key financial indicators

	FY2018	FY2019
	Audited	Provisional
Operating Income (Rs. crore)	77.1	84.8
PAT (Rs. crore)	-59.0	-148.0
OPBDIT/OI (%)	22.3%	-21.3%
RoCE (%)	-3.1%	-16.6%
Total Outside Liabilities/Tangible Net Worth (times)	-2.6	4.8
Total Debt/OPBDIT (times)	25.2	-9.7
Interest Coverage (times)	0.3	-0.5
DSCR (excluding short term debt and prepayments)	0.4	-0.5

Source: company, ICRA; **OPBDIT:** Operating Profit before Depreciation, Interest and Taxes; **PAT:** Profit after Tax; **RoCE:** Return on Capital Employed; **DSCR:** Debt Service Coverage Ratio

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Rating (FY2020)		Current Rating 22-Jan-2020	Earlier Rating 30-Aug-2019	Rating History for the Past 3 Years			
		Amount Rated	Amount Outstanding			01-Jul-2019	FY2019 03-Sep-2018	FY2018 03-Jul-2017	FY2017 06-Apr-2016
1 Bank Guarantee	Long Term / Short Term	30.0	-	[ICRA]A-(Stable) / [ICRA]A2+ withdrawn	[ICRA]A-(Stable) / [ICRA]A2+	[ICRA]A2+	[ICRA]A3+	[ICRA]A3 (SO)	[ICRA]A3(SO) suspended
2 Term Loan	Short term	0.0 ¹	-	-	-	[ICRA]BBB (Stable) withdrawn	[ICRA]BBB (Stable)	[ICRA]BBB-(SO) (Stable)	[ICRA]BBB-(SO) (Stable) suspended

Amounts 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

¹ ICRA had earlier rated Rs 200 crore term loans of UPPL which were withdrawn in July 2019.

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Bank Guarantee	-	-	-	30.00	[ICRA]A- (Stable) / [ICRA]A2+ withdrawn

Source: Umbel Properties Private Limited

Annexure-2: List of entities considered for consolidated analysis

Not Applicable

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About ICRA Limited:

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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.

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