

March 31, 2020

Cornerstone Property Investments Pvt. Ltd.: Rating downgraded to [ICRA]B+ (Stable) from [ICRA]BB+ (Stable); rating moved to ISSUER NOT COOPERATING category

Summary of rating action

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term – Term Loan	110.0	110.0	[ICRA]B+ (Stable); ISSUER NOT COOPERATING ¹ ; downgraded from [ICRA]BB+ (Stable) and moved to 'Issuer Not Cooperating' category

Rationale

The rating downgrade is because of lack of adequate information regarding Cornerstone Property Investments Pvt. Ltd.'s (CPIPL or the company) performance and hence the uncertainty around its credit risk. The rating has further been moved into 'Issuer Not Cooperating' category. The rating is denoted as '[ICRA]B+ (Stable); ISSUER NOT COOPERATING'. 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 CPIPL, 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

CPIPL is a part of Cornerstone group which is a leading property group in the business of land banking, development (primary residential) and joint development partnerships. Cornerstone Group is one of the largest owners of real estate in Bangalore with a land bank in excess of 2,500 acres and a development portfolio of over 9 million square feet.

CPIPL, along with its promoters and another group company, have entered into an MoU with the Embassy Group for jointly developing approximately 100 acres of land in Varthur, Bengaluru. The Embassy Group will acquire 30 acres of land out of the larger property and the balance will be developed under the JDA route.

¹ Issuer did not cooperate; based on best available information

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Rating History in FY2020					Rating History for the Past 3 Years			
	Type	Amount Rated	Amount Outstanding	Current Rating	Previous Rating	FY2019	FY2018	FY2017	
				31-Mar-2020	15-Jan-2020	28-Sep-2018	28-Jul-2017	11-Jul-2016	
1	Term Loan	Long Term	110.0	NA	[ICRA]B+ (Stable); ISSUER NOT COOPERATING ²	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB+(SO) (Stable)	[ICRA]BBB-(SO) (Stable)	[ICRA]BBB(SO) (Stable)

Amount in Rs. Crore, NA – Not available

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

² Issuer did not cooperate; based on best available information

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term Loan	March 2016	-	March 2021	110.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING

Source: Cornerstone Property Investments Pvt. Ltd., NA – Not Applicable

Annexure-2: List of entities considered for consolidated analysis

Not applicable

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