

## Press Release

**Avis India**

March 23, 2019

**Rating Update**



<b>Total Bank Facilities Rated*</b>	Rs. 9.20 Cr. #
<b>Long Term Rating</b>	ACUITE BB+ Issuer not co-operating*

# Refer Annexure for details

\* The issuer did not co-operate; Based on best available information.

Acuite has reviewed long-term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) on the Rs. 9.20 crore bank facilities of Avis India. This rating is now an indicative rating and is based on best available information.

Avis India, part of the Avis Group, is a Pune-based civil construction firm established in 1997 by Mr. Vijay Kulkarni. The firm, a licensed PWD contractor undertakes construction of sugar factories and water treatment plants in Maharashtra.

### Analytical approach

Acuite has consolidated the business and financial risk profiles of Avis India and Avis Project and Infrastructure Private Limited together referred to as the Avis Group. The consolidation is owing to the common management, financial linkages and similarities in the lines of business. Extent of consolidation: Full

### Non-cooperation by the issuer/borrower

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

### Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Consolidation of Companies - <https://www.acuite.in/view-rating-criteria-22.htm>
- Entities in Infrastructure- <https://www.acuite.in/view-rating-criteria-14.htm>

### Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

### About the Group

The Avis group consists of Avis India - a proprietary firm and Avis Projects and Infrastructure Private limited (APIPL). Avis India, established in 1997 undertakes construction of sugar factories and water treatment plants in Maharashtra. APIPL, a private limited company incorporated in 2013 is engaged in the construction of factories and manufacturing units. The day-to-day operations of the group are managed by Mr. Vijay Kulkarni.

### About the Rated Entity - Key Financials

	Unit	FY17 (Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	37.00	46.00	41.03
EBITDA	Rs. Cr.	3.32	3.93	3.74
PAT	Rs. Cr.	1.46	2.04	1.98
EBITDA Margin	(%)	8.98	8.54	9.13
PAT Margin	(%)	3.93	4.44	4.82
ROCE (%)	(%)	9.88	13.62	16.09
Total Debt/Tangible Net Worth	Times	1.34	1.34	1.33
PBDIT/Interest	Times	1.96	2.15	2.29
Total Debt/PBDIT	Times	5.50	4.16	3.78
Gross Current Assets (Days)	Days	146	122	168

### Status of non-cooperation with previous CRA (if applicable)

None

### Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

### Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
06-Feb-2018	Cash Credit	Long Term	5.00	ACUITE BB+/Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	4.20	ACUITE BB+/Stable (Reaffirmed)
05-Oct-2016	Cash Credit	Long Term	9.20	ACUITE BB+/Stable (Assigned)

### #Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB+ Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	4.20	ACUITE BB+ Issuer not co-operating*

\*The issuer did not co-operate; Based on best available information.

### Contacts

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**About Acuité Ratings & Research:**

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