



Press Release
Honer Developers Private Limited
November 28, 2024
Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	150.00	ACUITE BB+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	150.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

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

Rating Rationale

Acuite has downgraded the long-term rating to ‘**ACUITE BB+**’ (read as **ACUITE Double B plus**) from ‘**ACUITE BBB-**’ (read as **ACUITE Triple B minuso**) in the Rs.150 crore bank facilities of Honer Developers Private Limited.

The rating is now flagged as “Issuer Not Cooperating” and is based on the best available information. The rating is downgraded on account of information risk.

About the Company

Honer Developers Private Limited (HDPL), based out of Hyderabad, Telangana, was incorporated in 2016 by four experienced professionals from the retail sector namely Mr. Venkateswarlu, Mr. S Rajamouli, Mr. Balachandrudu and Mr. Y.S. Kumar. The company is engaged in real estate construction and development. The company is currently executing a residential project under the name of ‘Honer Aquantis’ in Gopanapally, Hyderabad, with a total saleable area of 19,94,830 sq. ft. HDPL has successfully completed 1.25 million sq. ft in the ‘Honer Vivantis’ project in FY2021. Under the SPV name, recently launched Honer Signatis with total leasable area of 7.8 million Sq fts. expected to be completed by February 2028. Honer is also executing one more project named as ‘Honer Richmond’ comprising of 142 villas at Kukatpally, Hyderabad.

Unsupported Rating

Not Applicable.

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 the due date. Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is, therefore, being flagged as “Issuer not-cooperating”, in line with prevailing SEBI regulations and Acuite’s policies.

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 has 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.

Rating Sensitivities

No information provided by the issuer / available for Acuité to comment upon.

Liquidity Position

No information provided by the issuer / available for Acuité to comment upon.

Outlook: Not Applicable

Other Factors affecting Rating

None.

Key Financials

Particulars	Unit	FY 23 (Provisional)	FY 22 (Actual)
Operating Income	Rs. Cr.	220.48	183.16
PAT	Rs. Cr.	69.01	8.80
PAT Margin	(%)	31.30	4.81
Total Debt/Tangible Net Worth	Times	0.79	4.44
PBDIT/Interest	Times	12.38	2.50

Status of non-cooperation with previous CRA

Not Applicable.

Any other information

None.

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Real Estate Entities: <https://www.acuite.in/view-rating-criteria-63.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
06 Sep 2023	Proposed Long Term Loan	Long Term	113.00	ACUITE BBB- Stable (Upgraded from ACUITE BB+)
	Term Loan	Long Term	37.00	ACUITE BBB- Stable (Upgraded from ACUITE BB+)
09 Aug 2023	Term Loan	Long Term	75.00	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	75.00	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
11 May 2022	Term Loan	Long Term	75.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Proposed Long Term Loan	Long Term	75.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
15 Feb 2021	Proposed Long Term Bank Facility	Long Term	75.00	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	75.00	ACUITE BBB- Stable (Reaffirmed)
20 Jan 2021	Term Loan	Long Term	75.00	ACUITE BBB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	Not avl. / Not appl.	Proposed Long Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	113.00	Simple	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)
HDFC Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	37.00	Simple	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)

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

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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