

Press Release
ADVANT IT PARK PRIVATE LIMITED
August 29, 2025
Rating Reaffirmed



Product	Quantum (Rs. Cr)	Long Term Rating	Short T
Bank Loan Ratings	510.00	ACUITE A- Stable Reaffirmed	-
Total Outstanding Quantum (Rs. Cr)	510.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating of '**ACUITE A-' (read as ACUITE A minus)** on the Rs.510.00 crore bank facilities of Advant IT Park Private Limited (AIPPL). The outlook remains '**Stable**'.

Rationale for rating

The rating factors in improvement in the overall rental income on account of improvement in lease rentals and occupancy of the company over past three years. Further the rating factors in the improved financial risk profile of the company as reflected by the leverage and coverage indicators. The rating derives additional support from the DSRA of six months maintained with the bank and the ESCROW mechanism. However, the rating is constrained by renewal risk which is in regard to tenure and lease rentals which will remain a key rating sensitivity factor.

About the Company

AIPPL was incorporated in 2004 with an objective to provide highest quality of infrastructure and professional support services needed by IT/ITES companies for efficient business operations. Company provides one-stop turnkey option for world-class facilities, setup and support services to the clients who are interested in setting up their own captive centres in India, for their offshore IT /ITES functions. AIPPL had developed and currently operates 'Advant Navis Business Park', a corporate landmark located in sector 142 Noida Expressway. It is a class-A intelligent bright Green building with LEED GOLD CERTIFICATION. The company has constructed 5 tower with an aggregate area of 13,80,084 sq.ft. The total land area of the business park is 24,845 sq.mtr

Unsupported Rating

Not Applicable.

Analytical Approach

Acuite has considered standalone business and financial risk profile of Advant IT Park Private Limited

Key Rating Drivers

Strengths

Experienced and resourceful management

AIPPL is being managed by Mr. Sunil Sharma, Mr. Om Prakash Arora and Mr. Prithvij Batra who hold directorial position in the company. The directors are associated with the company for more than a decade. Further, Mr. O.P. Arora is a president and CEO of AOV Group of Companies with strong presence in Finance, Export and Textile industry. Mr. Prithviraj Batra is promoter of Buniyad Group and also hold Directorial position at various real estate companies. Mr. Sunil Sharma is a qualified engineer from Indian Institute of Technology (IIT) and manages and are also associated with various line of business and is Director of various Food Processing and Real estate entities. Acuite believes that company would continue to benefit from experience of the promoters and timely support extended by them.

Improving Operating performance with reputed lessee profile

The lease rentals have been improved to Rs.168.57Cr. in FY 25 (Est.) with 14% growth against the previous year. The tenants provide good visibility as there are no lease expiry forthcoming in the medium term. Additionally, comfort can be derived on account of lock in period and long tenure of lease agreements mitigating renewal risk. There is 2.5% of escalation every year in the lease rental and CAM Charges. The lessees include reputed companies such as KPMG, Foresight IT Solutions & Consulting India Pvt. Ltd., One EInfo Pvt. Ltd, BC Management Services Pvt. Ltd, NEC Technologies India Private Limited, Standard Chartered Bank, Jubilant Foods,

Starbucks, etc. Acuite believes that operating performance of the company may improve going forward supported by increase in occupancy and reputed lessee profiles.

Presence of escrow mechanism and DSRA with bank.

The term loans availed by the company is backed by lease rentals. The lease rentals are directly deposited into escrow account and the debt obligation is deducted from the same. In addition to this, the company had already created six months EMI as DSRA.

Weaknesses

Presence in highly competitive and fragmented nature of industry

The real estate industry in India is highly fragmented, with most of the real estate developers having a city or region-specific presence. The risks associated with the real estate industry are cyclical in nature (drop in property prices) and interest rate risk, among others, which could affect operations. The company is exposed to lease renewal risk, i.e., while renewing the lease agreements, any significant renegotiations by the lessees can adversely impact the cash flows.

Assessment of Adequacy of Credit Enhancement under various scenarios including stress scenarios (applicable for ratings factoring specified support considerations with or without the “CE” suffix)

The company is required to maintain DSRA for six months of debt obligation along with the escrow and waterfall mechanism

ESG Factors Relevant for Rating

The construction industry is prone to releasing GHG and better use of technology to provide a green building structure is key. Further efficient use of material and better waste disposal and promotion of efficient alternatives are other key issues. Employee health and safety management is of prime importance for the industry. Safe building structures by using quality material is of utmost significance. Following the labour laws and labour rights is critical point to evaluate. Further ethical business practices and legal and regulatory compliance hold utmost significance. Other issues include management compensation and Board oversight. Likewise, corruption and bribery associated with getting licenses and permits are other material issues to the industry. The company is committed towards minimal GHG emission further the efficient use of material with minimal wastage is key focus of the company in order to maintain better environment and optimize cost. The company further focuses on employee health and safety and follows all the safety norms at their construction site. Further the company adheres to the labour laws and hiring of labour is a transparent process. The company is complying with the legal and regulatory requirements and have the permits in place from the concerned departments.

Rating Sensitivities

- Movement in lease rental and overall cash flows as envisaged by the company.
- Renewal of tenancy agreement

Liquidity Position

Adequate

The liquidity profile of the company is adequate marked by healthy lease rentals routed through escrow mechanism and presence of DSRA for six months debt obligation including interest and instalments resulted into additional cushion. Further, the company expected to have a comfortable average DSCR of 1.39 times from FY 26 to FY 31. Going forward, Acuite believes that liquidity profile of the company is expected to improve in near to medium term following by the comfortable DSCR.

Outlook - Stable

Other Factors affecting Rating

None.

Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	147.25	113.95
PAT	Rs. Cr.	32.35	16.76
PAT Margin	(%)	21.97	14.71
Total Debt/Tangible Net Worth	Times	4.45	7.29
PBDIT/Interest	Times	2.51	2.06

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

Not Applicable.

Any other information

None.

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Real Estate Entities: <https://www.acuite.in/view-rating-criteria-63.htm>
- Lease Rental Discounting : <https://www.acuite.in/view-rating-criteria-106.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
31 May 2024	Lease Rental Discounting	Long Term	410.00	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	Lease Rental Discounting	Long Term	100.00	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
03 Mar 2023	Lease Rental Discounting	Long Term	410.00	ACUITE BBB+ Stable (Reaffirmed)
	Lease Rental Discounting	Long Term	100.00	ACUITE BBB+ Stable (Assigned)
11 Mar 2022	Lease Rental Discounting	Long Term	393.00	ACUITE BBB+ Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	17.00	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
HDFC Bank Ltd	Not avl. / Not appl.	Lease Rental Discounting	27 Sep 2018	Not avl. / Not appl.	27 Feb 2034	410.00	Simple	ACUITE A- Stable Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Lease Rental Discounting	02 Jul 2022	Not avl. / Not appl.	18 Feb 2030	100.00	Simple	ACUITE A- Stable Reaffirmed

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About Acuité Ratings & Research

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