



Press Release
AVINASH DEVELOPERS PRIVATE LIMITED
October 17, 2024
Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	417.50	ACUITE C Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	417.50	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-
* The issuer did not co-operate; based on best available information.			

Rating Rationale

Acuite has downgraded long term rating at "ACUITE C" (read as ACUITE Cf) from "ACUITE BBB" (read as ACUITE triple B) on the Rs.417.50 Crore bank facilities of Avinash Developers Private Limited. The downgraded is on account of information risk. The rating is now flagged as "Issuer Not-Cooperating" on account of information risk and is based on the best available information.

Rationale for downgrade

As per the reporting in CRIF High mark Report, there is a delay of in debt obligation servicing for one day in August 2024. In addition, there are other accounts wherein couple of days delay has been recorded in the months of April 2024, May 2024 and June 2024. On the basis of information available in public domain, the rating is being downgraded.

About the Company

Avinash Developers Private Limited, Incorporated in 1997 is based in Raipur. It develops residential & commercial real estate and also operates Magneto Mall in Chhattisgarh. The directors are Mr. Mukesh Singhania, Mr. Aditya Singhania, Mr. Anand Singhania and Mr. Priyank Singhania. Currently, the group is developing 13 projects, which spread over 7 million square feet.

About the Group

The Avinash Group comprises companies as enumerated below:

AIM Infrastructure and Developers

Raipur based AIM Infrastructure and Developers is a Partnership firm Establish in 2016. Mr. Anand Singhania and Mr. Mukesh Singhania is the Partner of Company. The focus of the firm is on developing projects with uncompromising standards of quality. It ensures that it meets the special demands of its discerning customers and provide them with the best option in today's real estate market.

Avinash Builders

Established in 2014, Avinash Builders is a Partnership firm based in Raipur. The firm is headed by Mr. Anand Singhania and Mr. Mukesh Singhania. It is involved in developing residential and commercial real estate in Raipur.

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower

Acuité 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. Acuité believes that information risk is a critical component in such ratings, and non - cooperation by the issuer along with 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 Acuité’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). Acuité endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuité 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 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	171.45	128.20
PAT	Rs. Cr.	6.58	2.82
PAT Margin	(%)	3.84	2.20
Total Debt/Tangible Net Worth	Times	1.28	1.09
PBDIT/Interest	Times	1.41	1.20

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>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.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	
28 Jul 2023	Cash Credit	Long Term	7.50	ACUITE BBB	Stable (Reaffirmed)
	Term Loan	Long Term	80.00	ACUITE BBB	Stable (Reaffirmed)
	Term Loan	Long Term	5.00	ACUITE BBB	Stable (Assigned)
	Lease Rental Discounting	Long Term	34.76	ACUITE BBB	Stable (Assigned)
	Term Loan	Long Term	17.60	ACUITE BBB	Stable (Assigned)
	Term Loan	Long Term	22.80	ACUITE BBB	Stable (Assigned)
	Term Loan	Long Term	37.00	ACUITE BBB	Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	103.64	ACUITE BBB	Stable (Assigned)
	Dropline Overdraft	Long Term	13.00	ACUITE BBB	Stable (Assigned)
	Lease Rental Discounting	Long Term	64.20	ACUITE BBB	Stable (Assigned)
	Term Loan	Long Term	32.00	ACUITE BBB	Stable (Assigned)
29 Jun 2023	Cash Credit	Long Term	7.50	ACUITE BBB	Stable (Reaffirmed)
	Term Loan	Long Term	80.00	ACUITE BBB	Stable (Reaffirmed)
31 Mar 2022	Cash Credit	Long Term	7.50	ACUITE BBB	Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	7.50	ACUITE BBB	Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	72.50	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
Axis Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	7.50	Simple	ACUITE C Downgraded Issuer not co-operating* (from ACUITE BBB)
State Bank of India	Not avl. / Not appl.	Dropline Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	13.00	Simple	ACUITE C Downgraded Issuer not co-operating* (from ACUITE BBB)
HDFC Bank Ltd	Not avl. / Not appl.	Lease Rental Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	64.20	Simple	ACUITE C Downgraded Issuer not co-operating* (from ACUITE BBB)
Axis Bank	Not avl. / Not appl.	Lease Rental Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	34.76	Simple	ACUITE C Downgraded Issuer not co-operating* (from ACUITE BBB)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	103.64	Simple	ACUITE C 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.	17.60	Simple	ACUITE C Downgraded Issuer not co-operating* (from ACUITE BBB)
Bank of Baroda	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	22.80	Simple	ACUITE C Downgraded Issuer not co-operating* (from ACUITE BBB)
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	37.00	Simple	ACUITE C 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.	32.00	Simple	ACUITE C Downgraded Issuer not co-operating* (from ACUITE BBB)
Bank of Baroda	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	85.00	Simple	ACUITE C Downgraded Issuer not co-operating* (from ACUITE BBB)

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

*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr. No	Name of the companies
1	Avinash Developers Private Limited
2	AIM Infrastructure and Developers
3	Avinash Builders

Contacts

Mohit Jain Senior Vice President-Rating Operations	Contact details exclusively for investors and lenders
Archita Sharma Associate Analyst-Rating Operations	Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

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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