



Press Release
CENTURY JOINT DEVELOPMENTS PRIVATE LIMITED
August 21, 2024
Rating Assigned

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Non Convertible Debentures (NCD)	1600.00	ACUITE C Assigned	-
Total Outstanding Quantum (Rs. Cr)	1600.00	-	-

Rating Rationale

Acuite has assigned its long term rating of '**ACUITE C**' (read as **ACUITE C**) on the Rs. 1600 Cr. Non Convertible Debentures of Century Joint Developments Private Limited (CJDPL).

Rationale for Rating

The rating assigned takes into account the established track record of promoters in the real estate development industry for more than two decades. However, the rating is constrained by delay in repayments of existing NCDs.

About the Company

Incorporated In 2010, Century Joint Developments Private Limited is a Bengaluru Based Company. The directors of the company are Mr. Mahesh Attur Prabhu and Mr. Udupi Vivekananda Nayak. It is engaged in Residential, Commercial, Retail and Plot Developments.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has considered the standalone approach on the business and financial risk profile of

Key Rating Drivers

Strengths

Experienced Promoters with established track record of operations

The company was incorporated in 2010. The directors of the company are Mr. Mahesh Attur Prabhu, Mr Udupi Vivekananda Nayak and others has experience of more than two decade in this line of business.

Weaknesses

High Dependence on refinancing for sustainability of operations

The company has liquidity issues due to delay in project construction, there have been delay in repayments of existing NCD's. In order to refinance its loan obligation, the company is planning to issue NCDs to repay the existing NCDs and complete the project.

Rating Sensitivities

Timely repayment of existing NCDs

Liquidity Position

Poor

The liquidity position is poor due to cashflows of the company being inadequate to service the repayment obligation. Hence, the company has delayed in its repayment of NCD. Timely collection of the receivables from the projects will be key monitorable for the assessment of liquidity position for the company.

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 24 (Provisional)	FY 23 (Actual)
Operating Income	Rs. Cr.	54.51	70.71
PAT	Rs. Cr.	(203.12)	(140.08)
PAT Margin	(%)	(372.62)	(198.11)
Total Debt/Tangible Net Worth	Times	(1.67)	(2.08)
PBDIT/Interest	Times	0.14	0.22

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

None

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite'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:Not Applicable

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Not Applicable	Not avl. / Not appl.	Proposed Non Convertible Debentures	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1 600.00	ACUITE C Assigned

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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