



## Rating Rationale

Aditya Construction Company India Private Limited

27 Jun 2018

Brickwork Ratings has reviewed the ratings for the Bank Loan Facilities of Rs. 204 Crs of Aditya Construction Company India Private Limited based on best available information, as the issuer did not cooperate. Accordingly the rating for the said facilities is downgraded to BWR BB+ ISSUER NOT COOPERATING\*

### Particulars

Facility#	Amount(Rs. Crs)		Tenure	Rating <sup>1</sup>	
	Previous	Present		Previous Mar 2017	Present
<b>Fund Based</b>					
Term Loans (Existing)	62	62	Long term	<b>BWR BBB-</b> (Pronounced as BWR Triple B Minus) <b>(Outlook: Stable)</b>	<b>BWR BB+</b> (Pronounced as BWR Double B Plus) <b>Outlook: Stable</b> <b>ISSUER NOT</b> <b>COOPERATING*</b> <b>Downgraded and migrated to</b> <b>the Issuer Not Cooperating</b> <b>category</b>
Term Loan (Proposed)	142	142			
<b>Total</b>	<b>204</b>	<b>204</b>	<b>(Rupees Two Hundred and Four Crores only)</b>		

<sup>1</sup>Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

\* Issuer did not cooperate; Based on best available information

# Annexure provides details of bank loan facilities

### Rating downgraded and migrated to Issuer Not Cooperating Category

#### Nature of Non-cooperation:

The rating was due for a review in March 2018. BWR took up with the issuer to provide required information over emails and through telephonic communication. Despite the best efforts of BWR to get at least the minimum required information for a review, the Company has not provided the same. In the absence of adequate information from the issuer, BWR is unable to assess the issuer's financial performance and its ability to service its debt and maintain a valid rating. Hence, on account of inadequate information and lack of management cooperation, Brickwork Ratings has downgraded the rating to BWR BB+ ISSUER NOT COOPERATING\*

### Limitations of the rating:

Information availability risk is a key factor in the assessment of credit risk as generally, non cooperation by the rated entities to provide required information for a review of the assigned rating is also accompanied by financial stress. Users of the credit rating should therefore take into account the deterioration in the credit quality of the rated entity arising from its non transparency and withholding of information required for a review of the rating.

### About the Company

Incorporated in 2006, Aditya Construction Company India Private Limited (ACCIPL) is the flagship company of the Hyderabad based 'Aditya Group' of companies. It is engaged in the construction and development of residential and commercial projects, mainly real estate townships.

### Financial Performance

Against operating income of Rs.70.29 Crs in FY15, ACCIPL reported operating income of Rs. 71.42 Crs in FY16. PAT for FY16 was Rs. 1.05 Crs against Rs. 1.11 Crs in FY15. On a provisional basis, for 9MFY17, the Company had reported operating income of Rs. 60.46 Crs.

### Rating History for the last three years

Sl. No.	Facility	Current Rating (June 2018)			Rating History		
		Type	Amount (Rs Crs)	Rating	02 Mar 2017^	2016	2015
1)	Term Loans (Existing)	Long term	62	<b>BWR BB+</b> (Outlook Stable) <b>ISSUER NOT COOPERATING*</b> <b>Downgraded and migrated to the Issuer Not Cooperating category</b>	<b>BWR BBB-</b> (Outlook: Stable) (Assigned)	-	-
2)	Term Loan (Proposed)		142				
	<b>Total</b>		<b>204</b>	<b>(Rupees Two Hundred and Four Crores only)</b>			

\*Issuer did not cooperate; based on best available information

^rated amount Rs. 204 crs



**Hyperlink/Reference to applicable Criteria**

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What constitutes Non-cooperation](#)
- [Infrastructure Sector](#)

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**Aditya Construction Company India Private Limited**  
**Annexure - Bank Facilities**

Name of the Bank	Facilities	Tenor	Amount (Rs. Cr.)**
Syndicate Bank	Term Loan	Long Term	30.00
LIC Housing Finance limited	Term Loan		25.00
Reliance Home Finance Limited	Term Loan		7.00
Proposed	Term Loan		142.00
<b>TOTAL</b>			<b>204.00</b>

\*\*As per information furnished to BWR in March 2017

**For print and digital media**

The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

**Note on complexity levels of the rated instrument:**

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf) Investors queries can be sent to [info@brickworkratings.com](mailto:info@brickworkratings.com).

**About Brickwork Ratings**

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a leading public sector bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 11,99,663 Cr. In addition, BWR has rated over 6819 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹48,803 Cr have been rated.

**DISCLAIMER**

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons