

Rating Report

Brickwork Ratings assigns 'BWR B-' for Long Term Bank Loan Facilities of ₹ 34.31 Crores of Abhijit Realtors & Infracventures Pvt Ltd.

Brickwork Ratings (BWR) has assigned the following **Ratings**¹ for the Bank Loan Facilities of Abhijit Realtors & Infracventures Pvt Ltd.

Facilities	Amount (Rs. Crs)	Tenure	Rating
<u>Fund Based</u> Dropdown OD	Rs. 9.31	Long Term	BWR B- (Pronounced BWR B Minus)
<u>Fund Based</u> Dropdown OD	<u>Proposed</u> Rs. 25.00		
Total		Rs. 34.31 Crores (INR Thirty Four Crores Thirty One Lakh Only)	

BWR has principally relied upon the audited financial statements up to FY15 of the company, details of projects, publicly available information and information / clarifications provided by the management.

The rating has factored, inter alia, experience of the promoters in the real estate industry, demonstrated capability to executing projects in residential and commercial segment, satisfactory progress of the project and booking status supported by receipt of advance from the customers. The rating is however constrained by, project execution risk as the project is in initial stage of construction, stress liquidity with high leverage profile of the Company and inherent cyclical nature of the real estate industry.

Background:

Abhijit Realtors & Infracventures Pvt Ltd was incorporated in Sep 2007 with its office at Nagpur. The company is promoted by Mr. Abhijit Manjumdar and Family. The Company is engaged in a real estate residential redevelopment projects in Nagpur. Under this, the Company is executing a redevelopment project in the name of "Jayanti Nagari V" with saleable area of 286,335 sq ft. at Besa, Nagpur.

Management Profile:

The key management of the company is Mr. Abhijit Majumdar and Mr. Joydebkumar Majumdar.

¹ Please refer to BWR website www.brickworkratings.com/ for definition of the ratings assigned

Mr. Abhijit Majumdar, Director is a M.Tech and have a vast experience of handling various functions and managing the affairs of the real estate industry. He looks procurement, marketing and operational work of company.

Mr. Joydebkumar Majumdar, Graduate and have a vast experience in the Real Estate Industry. He looks day to day affair and administration of company.

Financial Performance:

Total income has increased to Rs. 96.79 crores in FY15 as compared to Rs. 22.21 Crores in FY14. Operating profit has also increased in absolute terms to Rs. 12.08 Crores against Rs. 5.75 Crores in FY14, and PAT has increased to Rs. 6.31 Crores in FY15 as from Rs. 1.15 Crores in FY15

Profile of the Projects:

At present the Company is developing a residential project at Besa Nagpur in the name of “Jayanti Nagari V”. The proposed project comprising of ground floor + 10 to 12 floors in its three towers. The project consist of 360 residential and commercial units o with total saleable area of project is 286, 335 sq. ft.

Rating Outlook:

Going forward, the ability of the company to execute its ongoing project as per the schedule, timely sale of the project space at envisaged prices along with timely realization of customer advances, and sustain any adverse changes in the regulatory guidelines would be the key rating sensitivities.

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ANNEXURE - I : ABRIDGE PROFIT AND LOSS A/C

Crores	FY13	FY14	FY15
Result Type	Audited	Audited	Audited
Total Operating Income	54.94	22.25	96.80
Cost of Goods Sold	44.29	14.24	81.39
Selling, General and other Administrative expenses	2.23	2.25	3.34
Operating Expenses	46.52	16.49	84.72
OPBDIT	8.42	5.75	12.08
Depreciation	0.08	0.16	0.16
OPBIT	8.34	5.59	11.92
Interest and Finance Charges	3.32	3.34	2.43
OPBT	5.02	2.26	9.50
Non-Operating Income(Expenses)	0.00	0.00	0.00
PBT	5.02	2.26	9.50
Provision for Taxes	1.64	1.10	3.19
PAT	3.38	1.15	6.31

ANNEXURE II : ABRIDGE BALANCE SHEET

Crores	FY13	FY14	FY15
Liabilities			
EQUITY AND RESERVES	11.39	13.25	19.55
Non-current liabilities	0.54	0.15	0.00
Long-Term Borrowings	0.54	0.15	0.00
Current liabilities	50.47	80.85	67.01
Short-Term Borrowings	22.84	18.97	18.69
Current Portion Of Long Term Debt	0.00	0.00	0.00
Trade Payables	4.03	6.51	19.58
Other Current Liabilities	20.15	53.03	22.73
Short-Term Provisions	3.46	2.34	6.01
Total Liabilities	62.41	94.25	86.57
ASSETS			
Non-current assets	0.40	0.96	0.90
Net Fixed assets	0.40	0.96	0.90
Current assets	62.01	93.30	85.67
Inventories	57.53	85.02	63.19
Trade Receivables	0.02	0.00	0.86
Cash and Cash Equivalentents	0.12	1.13	2.79
Short-Term Loans and Advances	3.03	6.50	16.59
Other Current Assets	1.31	0.64	2.24
Total Assets	62.41	94.25	86.57