

## ATS Infrabuild Private Limited

July 25, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Non Convertible Debentures	135.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

### Rationale and key rating drivers

CARE Ratings Ltd. has been seeking information from ATS Infrabuild Private Limited (AIPL) to monitor the ratings vide various email communications dated July 15, 2024, June 26, 2024, June 20, 2024, June 19, 2024 and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating).**

The rating has been reaffirmed on account of non-availability of requisite information due to non-cooperation by ATS Infrabuild Private Limited with CARE Ratings Ltd.'s efforts to undertake a review of the rating outstanding. CARE Ratings Ltd. views information availability risk as a key factor in its assessment of credit risk. The reaffirmed in ratings assigned to the instrument of AIPL factors in non-payment of NCDs principal and redemption premium due on June 11, 2022 to the investors who have not given their positive consent for the roll-over by period of two year to June 11, 2024.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors

- Improvement in liquidity position with timely repayment of debt obligations.

**Analytical approach:** Standalone

**Outlook:** Not Applicable

### Detailed description of the key rating drivers:

#### Key weaknesses

##### Delay in servicing of debt obligations:

There were delays in repayment of NCD's principal amount and redemption premium due on June 11, 2022 to the investor who have not given their positive consent for the roll-over of the NCD for period of two years to Jun 11, 2024. AIPL has applied for extension of final maturity date of NCDs from June 11, 2022 to June 11, 2024. Further, company has received consent on June 09, 2022 for extension from 76.67% of the investors but remaining investors didn't given their positive consent for the roll-over and redemption of NCDs.

#### Subdued industry scenario:

The company is exposed to the cyclical nature associated with the real estate sector which has direct linkage with the general macroeconomic scenario, interest rates and level of disposable income available with individuals. In case of real estate companies, the profitability is highly dependent on property markets. A high interest rate scenario could further discourage the consumers from borrowing to finance the real estate purchases and may depress the real estate market.

**Liquidity:** Poor

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

The liquidity profile of ATS Infrabuild Private Limited remains weak as reflected by slow customer collection and sales momentum. Due to mismatch between project receipts vis a vis the debt repayment obligations the liquidity of ATS Infrabuild Private Limited remains constrained.

### Applicable criteria

[Definition of Default](#)

[Policy in respect of non-cooperation by issuers](#)

[Rating Outlook and Rating Watch](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Financial Ratios – Non financial Sector](#)

[Rating methodology for Real estate sector](#)

### About the company and industry

#### Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Consumer Discretionary	Realty	Realty	Residential, Commercial Projects

ATS Infrabuild Pvt Ltd (AIPL), incorporated on October 4, 2007, is engaged in development of Real Estate Projects. AIPL is a part of ATS Group (ATS), which has a long-standing presence in real estate industry primarily in north India. The promoter of the group, Mr. Getamber Anand, has more than two decades of experience in the real estate industry. In the past, the group has successfully completed seven residential/group housing projects with total saleable area of about 113 lakh square feet (lsf). At present, the ATS group is developing 22 residential projects across North India (mainly Delhi NCR) having total saleable area of approximately 361 lsf. AIPL is currently developing a premium residential group housing project, CASA Espana, in Sector 121, Mohali Punjab, in a joint venture with Shivalik Group. The project is being developed in 2 phases. While Phase 1 is fully approved and is under construction, Phase 2 is at approval stage. Phase 1 has a total saleable area of 14.34lsf while Phase 2 has a saleable area of 11.66 lsf.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	March 31, 2024 (Abridged)
Total operating income	64.47	19.35	10.79
PBILDT	-0.44	-15.46	NA
PAT	0.31	-13.20	-17.79
Overall gearing (times)	-15.33	-7.05	-4.04
Interest coverage (times)	-193.35	-86.75	NA

A: Audited; NA: Not Available; Note: 'the above results are latest financial results available'

**Status of non-cooperation with previous CRA:** Infomercials has continued the ratings assigned to the bank facilities of ATS Infrabuild Private Limited as "Issuer Not Co-operating" vide its press release dated August 21, 2023 on account of its inability to carryout review in the absence of requisite information from the company

**Any other information:** Not Applicable

**Rating history for last three years:** Please refer Annexure-2

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated:** Annexure-4

**Lender details:** Annexure-5

### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Debentures-Non Convertible Debentures	INE686N07034	12-Jun-2018	10%	06/11/2024 <sup>^</sup>	135.00	CARE D; ISSUER NOT COOPERATING*

<sup>^</sup>Company has received consent on June 09, 2022 for extension from 76.67% of the investors for 2 years.

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

#### Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Debentures-Non Convertible Debentures	LT	135.00	CARE D; ISSUER NOT COOPERATING *	-	1)CARE D; ISSUER NOT COOPERATING * (11-Aug-23)	1)CARE D (25-Aug-22) 2)CARE BB-; Stable (12-Jul-22)	1)CARE BB-; Negative (15-Jul-21)

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

LT: Long term;

#### Annexure-3: Detailed explanation of covenants of the rated instruments/facilities

Name of the Instrument	Detailed Explanation
<b>Covenants</b>	
i. Coupon Rate	10% p.a. cumulative and preferred, Payable annually from the First Tranche i.e. June 12, 2018
ii. Repayment Date	June 11, 2024 (Earlier the same was June 11, 2022)

#### Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non Convertible Debentures	Simple

#### Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

**Note on the complexity levels of the rated instruments:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

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### About us:

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### Disclaimer:

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