March 18, 2025

Abad Builders Private Limited: Rating withdrawn

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term - Fund-based – Overdraft	17.35	17.35	[ICRA]BB+ (Stable); withdrawn
Long-term - Fund-based – Term loan	16.40	16.40	[ICRA]BB+ (Stable); withdrawn
Long-term - Unallocated	1.25	1.25	[ICRA]BB+ (Stable); withdrawn
Total	**35.00**	**35.00**	

**Instrument details are provided in Annexure I*

Rationale

ICRA has withdrawn the rating assigned to the bank facilities of Abad Builders Private Limited (ABPL) at the company's request and based on the No Objection Certificate (NOC) received from the bankers, in accordance with ICRA's policy on withdrawal of credit ratings. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

The key rating drivers and their description, liquidity position and rating sensitivities have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: Click here.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Realty - Commercial/Residential/Retail Policy on withdrawal of Credit Ratings
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

About the company

Abad Builders Private Limited (ABPL) was established in 2003 as the flagship company of the Abad Group for construction under its real estate wing. The company has, over the years, executed over 40 projects with a total area of ~4 million square feet. It is a well-recognised player in the residential real estate market in Kerala. The Abad Group, a renowned business house in Kerala with business interests in seafood exports, real estate, property management and maintenance services, hospitality, and retail. The company's day-to-day activities are managed by its Managing Director, Dr. Najeeb Zackeria.

Key financial indicators (audited)

ABPL Standalone	FY2023	FY2024
Operating income	25.2	50.2
PAT	0.2	1.0
OPBDITA/OI	21.8%	14.9%
PAT/OI	0.8%	2.0%
Total outside liabilities/Tangible net worth (times)	4.0	4.2
Total debt/OPBDITA (times)	11.2	9.1
Interest coverage (times)	1.4	1.3

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Amount rated (Rs. crore)	Current (FY2025)			Chronology of rating history for the past 3 years					
			Mar 18, 2025	FY2025		FY2024		FY2023		FY2022	
				Date	Rating	Date	Rating	Date	Rating	Date	Rating
Overdraft	Long-term	17.35	[ICRA]BB+ (Stable); withdrawn	Jul-23-24	[ICRA]BB+ (Stable)	Jan-16-24	[ICRA]BB+ (Stable)	Oct-28-22	[ICRA]BB+ (Stable)	Jul-02-21	[ICRA]BB+ (Stable)
		-	-	Jun-28-24	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING	-	-	-	-	-	-
Term loans	Long-term	16.40	[ICRA]BB+ (Stable); withdrawn	Jul-23-24	[ICRA]BB+ (Stable)	Jan-16-24	[ICRA]BB+ (Stable)	Oct-28-22	[ICRA]BB+ (Stable)	Jul-02-21	[ICRA]BB+ (Stable)
		-	-	Jun-28-24	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING	-	-	-	-	-	-
Unallocated limits	Long-term	1.25	[ICRA]BB+ (Stable); withdrawn	Jul-23-24	[ICRA]BB+ (Stable)	Jan-16-24	[ICRA]BB+ (Stable)	Oct-28-22	[ICRA]BB+ (Stable)	Jul-02-21	[ICRA]BB+ (Stable)
		-	-	Jun-28-24	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund-based – Overdraft	Simple
Long-term – Fund-based – Term loan	Simple
Long-term – Unallocated	Not applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click Here.

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	**Overdraft**	-	-	-	17.35	[ICRA]BB+(Stable); withdrawn
NA	**Term loans**	FY2021-2022	-	FY2026-2032	16.40	[ICRA]BB+(Stable); withdrawn
NA	**Unallocated limits**	-	-	-	1.25	[ICRA]BB+(Stable); withdrawn

Source: Company

Annexure II: List of entities considered for consolidated analysis – Not Applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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