

November 30, 2021

Suchirindia Infratech (P) Limited: Moved to Non-Cooperating category, Ratings downgraded based on best available information

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Issuer rating	Nil	Nil	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB(stable) and moved to the 'Issuer Not Cooperating' category

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

[^]Instrument details are provided in Annexure-1

Rationale

The rating downgrade is because of lack of adequate information regarding Suchirindia Infratech (P) Limited's (SIPL) performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at www.icra.in. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

As part of its process and in accordance with its rating agreement with Suchirindia Infratech (P) Limited, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, a rating view has been taken on the entity based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#). ICRA is unable to provide this information due to non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/ Group Support	NA
Consolidation/ Standalone	The rating is based on company's standalone financial profile.

About the company

Incorporated in 2005, Suchirindia Infratech Private Limited (SIPL), is engaged in development of townships, land, and residential real estate projects in Hyderabad. SIPL is the holding and flagship company of Suchirindia group and the group is promoted by Mr. Y. Kiran Kumar, who has been associated with real estate industry for over two decades. The group is involved in diversified business such as Construction, Infrastructure, and Hospitality. The group has developed 5.1 million sq. meters of townships spread across different geographical locations majorly in and around Hyderabad.

Key financial indicators

	FY2019	FY2020*
Operating Income (Rs. crore)	12.11	14.17
PAT (Rs. crore)	0.21	(0.28)
OPBDIT/OI (%)	13.1%	8.4%
PAT/OI (%)	1.7%	(2%)
Total Outside Liabilities/Tangible Net Worth (times)	0.02	-
Total Debt/OPBDIT (times)	0.92	0.8
Interest Coverage (times)	1.7	2.5

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation

*FY2020 numbers are provisional

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

Instrument	Current Rating (FY2022)				Chronology of Rating History for the past 3 years			
	Type	Amount Rated (Rs. crore)	Amount Outstanding March 2020 (Rs. Crore)	Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020	Date & Rating in FY2019	
				Nov 30, 2021	Aug 27, 2020	-	-	
1 Issuer rating	Long-Term	Nil	NA	[ICRA]B+(Stable); ISSUER NOT COOPERATING*	[ICRA]BB(Stable)	-	-	

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

Complexity level of the rated instrument

Instrument	Complexity Indicator
Issuer Rating	Simple

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, is available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. Crore)	Current Rating and Outlook
NA	Issuer rating	NA	NA	NA	Nil	[ICRA]B+(Stable); ISSUER NOT COOPERATING

Source: Suchirindia Infratech (P) Limited (SIPL)

Annexure-2: List of entities considered for consolidated analysis: None

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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.

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