

**March 03, 2015**

Facility	Amount (Rs. Crore)	Rating
Term Loan (proposed)	120.00	SMERA BB-/Stable (Assigned)

SMERA has assigned a rating of **'SMERA BB-' (read as SMERA double B minus)** to the Rs.120.00 crore proposed long-term (fund based) bank facility of Krrish Shalimar Projects Private Limited (KSPPL). The outlook is **'Stable'**. The rating is constrained by the company's exposure to intense competition in the real estate industry. The rating also notes that the company faces significant project saleability risk amidst slowdown in the real estate sector. However, the rating is supported by the company's experienced management. The rating also draws comfort from the moderate bookings levels recorded in the company's ongoing project.

KSPPL, incorporated in 2010, is a Delhi-based real estate company engaged in developing integrated residential and commercial properties. KSPPL is currently developing a residential project (named 'Ibiza') spread across 11.39 acres of land in Surajkund, Faridabad. The company faces intense competition from several ongoing projects undertaken by various reputed builders such as Gaurson Group, Ansal Group and Puri Constructions in Faridabad. KSPPL is exposed to project saleability risk, which is intensified by the current slowdown in the real estate sector. Any delays in implementation of the ongoing project will result in subdued buying interest and lower-than-expected advances from customers.

KSPPL benefits from its experienced management. The company's promoters have around two decades of experience in the real estate sector. KSPPL has completed ~53 per cent development of the ongoing project (Ibiza). The company registered moderate booking levels of ~55 per cent.

### **Outlook: Stable**

SMERA believes KSPPL will maintain a stable business risk profile over the medium term. The company will continue to benefit from its experienced management. The outlook may be revised to 'Positive' in case the company implements the project according to the scheduled timeline and generates steady cash flows from customer advances. The outlook may be revised to 'Negative' in case of delays in project execution and collection of customer advances, or in case of deterioration in the company's financial risk profile and liquidity position.

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SMERA RATINGS LIMITED

# Krrish Shalimar Projects Private Limited (KSPPL)

*Rating  
Rationale*

## About the project

'Ibiza' is a residential project spread across 11.39 acres of land in Surajkund, Faridabad. The project comprises 266 units with total saleable area of 8.22 lakh sq. ft. KSPPL has completed ~53 per cent of the project development work.

## About the company

KSPPL, incorporated in 2010, is a Delhi-based real estate company engaged in developing integrated residential properties. KSPPL is promoted by Mr. Sanjay Seth, Mr. Khalid Masood, Mr. Rajesh Katyal and Mr. Amit Katyal.

The company's net worth stood at Rs.13.64 crore as on March 31, 2014.

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