

October 31, 2015

Facility	Amount (Rs. Crore)	Rating
Term Loan	50.00	SMERA B/Stable (Reaffirmed)

SMERA has reaffirmed a rating of '**SMERA B**' (read as **SMERA single B**) on the above mentioned bank facility of Aashiyana Promoters and Developers Private Limited (APDPL). The outlook is '**Stable**'. The rating is constrained by delays in receipts of customer advances despite high level of bookings registered in the company's ongoing projects. The rating is also constrained due to risk arising on account of principle repayment of Rs. 8.35 crore starting from December. The rating factors in risks related to project salability amidst slowdown in the real estate sector. However, the rating is supported by the company's experienced management. The rating is also supported by the advance stage of execution of the company's ongoing project.

Update

APDPL has completed ~85 per cent construction of the project; however, the company has received advances of Rs. 120.00 crore, as compared with total expected realization of Rs. 250.00 crore

Outlook: Stable

SMERA believes APDPL will maintain its business risk profile in the medium term on the back of experience of the promoter in the business and healthy flow of advances received from customers. The outlook may be revised to 'Positive' if the company generates steady cash flows as per anticipated customer advances from the bookings. Conversely, the outlook may be revised to 'Negative' in case there is any delay in executing the project or the collections from the bookings gets delayed, thereby creating pressure on liquidity.

About the Company

APDPL, established in 2007, is a special purpose vehicle of the Delhi-based Newtech Group. APDPL is established to undertake construction of a group housing complex (named LA-Galaxia) in Gautam Budh Nagar, Uttar Pradesh.

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SMERA RATINGS LIMITED

Aashiyana Promoters and Developers Private Limited (APDPL)

Rating Rationale

About the project

La-Galaxia is a group housing complex in Gautam Budh Nagar, Uttar Pradesh. The complex comprises 524 dwelling units (in seven towers of 18 floors each). APDPL has completed ~85 per cent of project construction till September 2015.

Contact List:

Media/Business Development	Analytical Contact	Rating Desk
Antony Jose Vice President – Business Development, Mid Corporate Tel: +91-22-6714 1191 Cell: +91 9820802479 Email: antony.jose@smera.in Web: www.smera.in	Parimal Thakker Associate Vice President – Corporate Ratings Tel: +91-011-4973 1312 Email: parimal.thakker@smera.in	Tel: +91-22-6714 1184 Email: ratingdesk@smera.in

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