

February 24, 2016

Facility	Amount (Rs. Crore)	Rating
Term Loan	20.00	SMERA BB-/Stable (Assigned)

SMERA has assigned rating of '**SMERA BB-**' (read as SMERA double B minus) to the above mentioned bank facility of Chartered Housing Private Limited (CHPL). The outlook is '**Stable**'. The rating derives comfort from the extensive experience of the promoter and strong project execution capabilities. However, the rating is constrained by the intense competition in the real estate sector, geographic concentration risk and nascent stage of the 'Chartered Hummingbird' project, a residential real estate project

### Rating Sensitivity Factors

- Receipt of customer advances
- Timely completion of the project

### Outlook: Stable

SMERA believes CHPL will maintain a stable business profile over the medium term owing to its experienced management. The outlook may be revised to 'Positive' if the company receives higher than expected customer advances. Conversely, the outlook may be revised to 'Negative' in case of inordinate project delays or lower than expected customer advances.

### About the Company

CHPL was incorporated in 1989 by Mr A. Balakrishna Hegde, a banker and the founder member. The company is engaged in real estate development and has two on-going projects - Chartered Grasshopper and Chartered Hummingbird, situated at Bangalore

For 2014-15, CHPL reported profit after tax (PAT) of Rs.0.76 crore on operating income of Rs.16.60 crore as compared to PAT of Rs.3.64 crore on operating income of Rs.17.94 crore for FY2013-14.

### Contact List:

Media/Business Development	Analytical Contact	Rating Desk
Mr. Suman M National Sales Head – Emerging Corporate Group Tel: +91-22-6714 1151 Cell: +91 9892306888 Email: <a href="mailto:suman.m@smera.in">suman.m@smera.in</a>	Mr. Vinay Chhawchharia Associate Vice President - Corporate Ratings Tel: +91-22-6714 1156 Email: <a href="mailto:vinay.chhawchharia@smera.in">vinay.chhawchharia@smera.in</a>	Tel: +91-22-6714 1184 Email: <a href="mailto:ratingdesk@smera.in">ratingdesk@smera.in</a>

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