

March 22, 2016

Facility	Amount (Rs. Crore)	Rating
Term Loan (Proposed)	5.00	SMERA BB-/Stable (Assigned)

SMERA has assigned a long-term rating of '**SMERA BB-**' (read as SMERA double B minus) to the Rs.5.00 crore bank facility of Om Drishian International Limited (ODIL). The outlook is '**Stable**'. The rating is supported by the company's long track record of operations, experienced management and established relations with customers. The rating also finds support from the moderate financial risk profile marked by comfortable leverage (debt-to-equity ratio) and moderate coverage indicators in FY2014-15 (refers to financial year, April 01 to March 31). However, the rating is constrained by the declining and uneven revenues, trading nature of operations and intense competition in the real estate sector.

Outlook: Stable

SMERA believes ODIL will maintain a stable business risk profile in the medium term owing to the established operations and extensive experience of its promoters. The outlook may be revised to 'Positive' if the company registers improvement in operations and profitability margins. Conversely, the outlook may be revised to 'Negative' in case of further deterioration in the financial risk profile.

Rating Sensitivity Factors

- Scaling up of operations while maintaining margins
- Future capital expenditure plans and its funding mix thereof

About the project

ODIL is undertaking construction of a 43 residential building named 'Elacasa' in Dwarka Expressway, New Delhi. The project cost is estimated at Rs. 45.00 crore, which is funded through a mix of promoter's funds, customer advances and bank borrowings.

About the Company

ODIL, established in 2008, is a New Delhi-based company promoted by Mr. Rakesh Bansal. The company is engaged in the trading of T-shirts, Shirts, and Vests among others and plans to take distributorship of Reliance Jio 4G in East Delhi and Sahibabad, Ghaziabad.

Disclaimer: A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.

For FY2014-15, ODIL's reported profit after tax (PAT) of Rs.1.18 crore on operating income of Rs.227.61 crore as compared with PAT of Rs.0.68 crore on operating income of Rs.361.37 crore for FY2013-14. The net worth stood at Rs.12.56 crore as on March 31, 2015 as compared with Rs.6.72 crore a year earlier.

Contact List:

Media/Business Development	Analytical Contact	Rating Desk
Suman M National Sales Head – Emerging Corporate Group Tel: +91-22-6714 1151 Cell: +91 9892306888 Email: suman.m@smera.in Web: www.smera.in	Parimal Thakker Associate Vice President – Corporate Ratings Tel: +91-011-4973 1317 Email: parimal.thakker@smera.in	Tel: +91-22-6714 1184 Email: ratingdesk@smera.in

Disclaimer: A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.