

**April 04, 2016**

Facility	Amount (Rs. Crore)	Rating
Term Loan	5.00	SMERA B+/Stable (Assigned)

SMERA has assigned rating of '**SMERA B+**' (read as **SMERA B plus**) to the above mentioned bank facility of Skanda Creations. The outlook is '**Stable**'. The rating is supported by the firm's experienced management. However the rating is constrained by project-specific risks inherent in the construction of the residential township and intense competition in the real estate sector that is undergoing a slowdown.

Outlook – Stable

SMERA believes that Skanda Creations will continue to maintain a stable outlook over the medium term owing to its experienced management. The outlook may be revised to 'Positive' if the firm registers higher than expected cash flows from customer advances. Conversely, the outlook may be revised to 'Negative' in case of significant time or cost overruns or weakening of the financial risk profile.

Rating Sensitivity Factors

- Execution of project as per schedule
- Customer advances

About the Firm:

Skanda Creations, established in 2013, is a Bangalore-based real estate firm promoted by Mr. Sundeeep and Mr. Manjunath. The firm is currently constructing a residential project - Skanda Elina in Bangalore.

Contact List:

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