

April 28, 2016

| Facilities | Amount<br>(Rs. Crore) | Rating                     |
|------------|-----------------------|----------------------------|
| Term Loan  | 10.00                 | SMERA B-/Stable (Assigned) |

SMERA has assigned the long-term rating of '**SMERA B-**' (**read as SMERA B minus**) on the above mentioned bank facility of Silicon Buildcon (SB). The outlook is '**Stable**'. The rating derives comfort from the firm's experienced management, and successful completion of past projects. However, the rating is constrained by project execution risk considering its nascent stage of bookings, low advances and saleability risk. The rating is also constrained by intense market competition and cyclical in the real estate sector.

### Rating Sensitivity Factors

- Timely project completion
- Project saleability
- Mobilisation of customer advances

### Outlook: Stable

SMERA believes SB will continue to benefit from its experienced management. The outlook may be revised to 'Positive' in case the firm generates steady cash flows through timely receipt of customer advances and increase in booking levels. Conversely, the outlook may be revised to 'Negative' if the firm faces liquidity pressure on account of delays in receipt of customer advances.

### About the Firm

Silicon Buildcon, a Surat based firm, established in 2011, as a partnership firm with Mr. Abhishek Purohit and his family members as partners. The firm has developed residential at places in and around Surat.

### About the Project

'Silicon Luxuria' is a residential project located in Surat, Gujarat. . It will have one high rise building (Building A) of basement and ground floor for parking and 11 upper floors with 3 flats of 4 BHK each (Total 33 flats). The project is expected to be completed by December, 2016.

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