

Catch Realty Private Limited: Assigned

Facility	Amount (Rs. Crore)	Rating/Outlook
Term Loan	6.90	SMERA B/Stable (Assigned)

SMERA has assigned rating of '**SMERA B' (read as SMERA B)** to the above mentioned bank facility of Catch Realty Private Limited (CRPL). The outlook is "**Stable**".

CRPL is an Indore-based company, incorporated in 2006, by Mr. Sanjay Laddha and Mrs. Mamta Laddha, Directors. The company plans to set up a hotel in Indore, Madhya Pradesh at a cost of Rs.21.59 crore to be funded through a term loan and promoters contribution of Rs.14.69 crore. Construction of the project began in November 2015 and is expected to be completed by end of March, 2017. Commercial operations are expected to commence from April, 2017. The project debt-equity is comfortable at 0.31 times. The rating also notes the competition from other hotels in the nearby areas.

However, the rating draws comfort from the experienced promoters. Mr. Sanjay Laddha, Director has over 20 years of experience in the hospitality industry.

Rating Sensitivity Factors

- Timely completion of project without cost overruns
- Generating sufficient cash flows to meet term debt obligations

Outlook-Stable

SMERA believes that the outlook on CRPL's rated facilities will remain stable over the medium term on account of the company's experienced management and scope for hotels in Indore. The outlook may be revised to 'Positive' if the company achieves the expected occupancy and ARR rates. Conversely, the outlook may be revised to 'Negative' in case of decline in occupancy levels leading to lower cash accruals or if the company undertakes sizeable debt-funded capex resulting in weakening of the debt protection metrics.

About the Company

CRPL was incorporated in 2006 by Mr. Sanjay Laddha and Mrs. Mamta Laddha. The company plans to set up a hotel in Indore with a garden, restaurant and club house by March, 2017.

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ABOUT SMERA

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