

Press Release

Shell Promoters & Infra Private Limited (SPIPL)

13 February, 2017

Rating Assigned

Total Bank Facilities Rated*	Rs.12.00 Cr
Long Term Rating	SMERA D (Assigned)

**Refer Annexure for details*

Rating Rationale

SMERA has assigned rating of '**SMERA D**' (read as **SMERA D**) on the above mentioned facility of Shell Promoters & Infra Private Limited (SPIPL).

SPIPL (the erstwhile Shell Promoters Inc) was established as a partnership firm in 2004 and converted into a private limited company in 2009. The company is engaged in real estate development.

List of key rating drivers and their detailed description

Weaknesses:

Delays in debt servicing: The rating reflects continuous delays in servicing of debt obligations on account of a weak liquidity position.

Strengths:

Established track record of operations and experienced promoters: The promoter and Managing Director, Mr. D Pradeep Swarup possesses more than a decades experience in the real estate industry.

Analytical approach: SMERA has considered the standalone financial and business risk profiles of the company.

Applicable Criteria

- Application of Financial Ratios and Adjustments: <https://www.smera.in/criteria-fin-ratios.htm>
- Default Recognition: <https://www.smera.in/criteria-default.htm>

About the Rated Entity

SPIPL is engaged in real estate development. The company has completed over 15 projects at Bangalore and Hyderabad. The day-to-day operations are managed by Mr. D Pradeep Swarup, Managing Director.

For FY2015-16, SPIPL reported profit after tax (PAT) of Rs.0.12 crore on operating income of Rs.3.10 crore as compared to PAT of Rs.0.17 crore on operating income of Rs.3.83 crore in the previous year. The net worth stood at Rs.10.29 crore as on 31 March, 2016 against Rs.10.17 crore a year earlier.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for the last three years:

Name of Instrument /Facilities	FY2017			FY2016		FY2015		FY2014	
	Scale	Amount (Rs. Crore)	Rating with Outlook	Date	Rating	Date	Rating	Date	Rating
Term Loan	LT	12.00	SMERA D (Assigned)	-	-	-	-	-	-

***Annexure – Details of instruments rated:**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/ Outlook
Term Loan	January 2016	NA	December 2018	12.00	SMERA D (Assigned)

Note on complexity levels of the rated instrument: <https://www.smera.in/criteria-complexity-levels.htm>

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ABOUT SMERA

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