

January 03, 2014

Facilities	Amount (Rs. Crore)	Rating
Term Loan	75.00	SMERA D (Assigned)
Bank Gurantee	12.50	SMERA D (Assigned)

SMERA has assigned a rating of '**SMERA D**' (**read as SMERA D**) to the Rs.87.50 crore bank facilities of SDS Infratech Private Limited (SIPL). The rating primarily reflects the company's delays in servicing interest on debt obligations. The rating also reflects the company's high leverage.

SIPL, incorporated in 2008, is a Delhi-based real estate development company. SIPL's term loan statements reflect delays in servicing of interest during November 2013. The company's leverage is high at 7.27 times as on March 31, 2013.

SIPL faces intense competition from several players in the middle-income residential segment. The company is exposed to the current slowdown in the real estate sector.

SIPL's promoters have long-standing experience of around ten years in the real estate industry.

About the company

SIPL, incorporated in 2008, is a Delhi-based real estate development company promoted by Mr. Deepak Bansal. SIPL has recently completed two residential projects — NRI Residency, Greater Noida and NRI Residency, Noida, with a built-up area of 12.89 lakh sq. ft. and 17.81 lakh sq. ft., respectively. The company is likely to grant possession of the apartments in March 2014.

For FY2012-13, SIPL registered net sales of Rs.127.53 crore and PAT of Rs.7.42 crore, as compared with net sales of Rs.294.18 crore and PAT of Rs.24.86 crore for FY2011-12. The company's net worth stood at Rs.28.36 crore as on March 31, 2013, as compared with Rs. 21.19 crore a year earlier.

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