

May 16, 2014

Facility	Amount (Rs. Crore)	Rating
Term Loan	62.80*	SMERA B-/Stable (Assigned)

**Includes import letter of credit as a sublimit to the extent of Rs 5.00 crore*

SMERA has assigned a long-term rating of '**SMERA B-' (read as SMERA single B minus)** to the Rs.62.80 crore bank facilities of Nimitaya Infotech Private Limited (NIPL). The outlook is '**Stable**'. The rating is constrained by the company's limited track record of operations. The rating is also constrained by the company's exposure to project concentration and saleability risk amidst slowdown in the real estate sector. The rating factors in the risks associated with the company's weak financial risk profile. However, the rating is supported by the company's experienced management. The rating is also supported by the advanced stage of completion of the company's project.

NIPL, incorporated in 2006, is a Delhi NCR-based real estate company. NIPL is currently executing its maiden project (named Nimitaya 108), which is an information technology park (spread over 3,00,000 square feet) in Udyog Vihar, Gurgaon. The project cost is estimated at ~Rs.125 crore. NIPL has completed most of the project construction work on time. However, the project is exposed substantial offtake risk as the company has not entered into any lease agreement till date. NIPL is susceptible to the current slowdown in the commercial real estate sector. The company may have to rely on financial support from its group entities in case of delays in leasing activity.

NIPL benefits from its experienced management. The company is a part of Nimitaya Group, which is promoted by the Mahajan family. NIPL's promoters have around ten years of experience in the real estate industry. Bluebird Software Private Limited (BSPL), group entity of NIPL, has developed and sold an information technology park (named Ecstasy I.T. Park) in Udyog Vihar, Gurgaon. BSPL is currently developing another commercial project in Udyog Vihar. Nimitaya Hotel & Resorts Limited (group entity of NIPL) has built a 4-star hotel in Gurgaon.

NIPL's project is in the advanced stage of completion. The company has received all statutory approvals and clearances for Nimitaya 108. NIPL has also received environment clearance and electricity connections for the project. The company's project is in line with the specifications of LEED Platinum Rating, which if assigned, would enable the company to command marginal premium in lease rentals.

Disclaimer: A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.

**Outlook: Stable**

SMERA believes NIPL will maintain a stable business risk profile over medium term on the back of its experienced management. The outlook maybe revised to 'Positive' in case the company generates larger-than-expected cash flows through successful leasing of Nimitaya 108. Conversely, the outlook will be revised to 'Negative' in case delays in leasing activity.

About the company

NIPL, incorporated in August 2006, is a Delhi NCR-based real estate company. NIPL is a part of Nimitaya Group, which is promoted by Mr. Brij Mohan Mahajan and Mr. Sanjeev Mahajan. The Nimitaya Group has interests in real estate, hospitality and metal scrap businesses. NIPL is currently developing an information technology park (spread over 3,00,000 square feet) in Phase - 1 Udyog Vihar, Gurgaon.

NIPL has not booked any revenue till FY2012-13 (refers to financial year, April 01 to March 31). The company has incurred a pre-operative expense of Rs.1.84 crore till March 31, 2013. NIPL's net worth stood at Rs.4.86 crore as on March 31, 2013.

Contact List:

Media/ Business Development	Analytical Contacts	Rating Desk
Sanjay Kher Head- Sales, Corporate Ratings Tel : +91 22 6714 1193 Cell: +91 98191 36541 Email : sanjay.kher@smera.in Web: www.smera.in	Umesh Nihalani Head - Corporate Ratings Tel: +91-22-6714 1106 Email: umesh.nihalani@smera.in	Tel: +91-22-6714 1170 Email: ratingdesk@smera.in

Disclaimer: A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.