

Ashiana Landcraft Realty Private Limited

May 06, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Non Convertible Debentures	29.01	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Non Convertible Debentures	81.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Optionally Fully Convertible Debenture	10.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

* Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) had, vide its press release dated June 11, 2019, placed the rating of Ashiana Landcraft Realty Private Limited (ALRPL) under the 'issuer non-cooperating' category as ALRPL had failed to provide information for monitoring of the rating. ALRPL continues to be non-cooperative despite repeated requests for submission of information through e-mails dated April 01, 2025, April 11, 2025 and April 21, 2025. In line with the extant SEBI guidelines, CARE Ratings has reviewed the rating on the basis of the best available information which however, in CARE Ratings' opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Analytical approach: Standalone

Detailed description of the key rating drivers:

At the time of last rating on May 16, 2024, the following were the rating strengths and weaknesses:

Key weaknesses

Recent delays in debt servicing

There were delays in servicing of debt obligations on the OCD and bank facilities. The company had delayed the monthly instalment due for the month of March 2019 and the interest payment due on OCD on March 31, 2019. This is on the account of tight liquidity position of the company due to slower sales momentum for its ongoing projects.

Project execution risk

The company is developing a residential group housing project in Sector 88-A, Gurgaon. The total estimated cost of the project is ₹1,038 cr which will be funded through promoter's contribution of ₹59.00 cr, debt of ₹423 cr and the rest through customer advances. As on December 31, 2018, the promoters have brought in ₹52.6 cr, Outstanding debt of ₹333 cr availed from PNBHFL and the Piramal group. As on March 31, 2018, the company has incurred ₹610 cr out of the total project cost of ₹1,038 cr that is, around 57% of the total project cost as on December 31, 2018 (49% upto March 31, 2018). However, the spending on construction remains low with total expenditure of ₹247 cr out of the total ₹498 cr on the construction and administration portion, that is, 50% of the total construction and administration cost. As significant portion of the cost is yet to be incurred; the project is exposed to execution risk.

Off take risk

Out of total saleable area of the project of 17.24 lsf, For Phase-1 (saleable area of 8.42 lsf), the company has sold 5.45 lsf of area that is around 64% (61% upto March 31, 2018) for sale value of ₹351 cr till December 31, 2018. The sales has remained slow due to the slowdown in the real estate market. In the 12 months ending February 2019, the company has been able to generate collections of ₹20 cr. With significant portion of the project yet to be sold, the company remains exposed to project off-take risk.

Subdued industry scenario

The industry has witnessed muted housing demand during recent past. Furthermore, the impact of Real Estate Regulation Act, 2016 remains to be seen on the developers. It is expected that the developers will have to bring about operational transformation in their business models to comply with RERA requirements.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Key strengths

Experienced promoters with track record of project execution

The company derives strength from experience of the promoters – Ashiana Homes Pvt Ltd (AHPL) and Landcraft Projects Private Limited (LPPL) in the real estate sector. Both the companies have an established track record of executing several real estate projects, including development of township, group housing, commercial complexes, etc. Some of the major completed projects include Ashiana Upvan (Ghaziabad), Ashiana Greens (Ghaziabad), Golf Links Flat (Ghaziabad), Ashiana Palm court (Ghaziabad) etc.

Applicable criteria

[Policy on Default Recognition](#)

[Financial Ratios – Non financial Sector](#)

[Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Real estate sector](#)

About the company and industry

Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Consumer Discretionary	Realty	Realty	Residential, Commercial Projects

Incorporated in 2012, ALRPL is a joint development between Ashiana Homes Pvt Ltd (AHPL) and Landcraft Projects Private Limited (LPPL) formed solely for a premium real estate residential project development named 'The Center Court' located at Sector 88A, Gurgaon. LPPL was incorporated in 2007 and is the real estate vertical of Garg group with the presence in Ghaziabad. The group has developed more than 20.04 lsf of area with residential and commercial projects in Ghaziabad. AHPL was incorporated in 1987, with presence mostly in North India and has developed more than 55 lsf of area with eight completed projects.

Brief Financials (₹ crore)	FY20 (A)	FY21 (A)
Total operating income	0.00	0.00
PBILDT	-1.00	-0.41
PAT	-0.28	-0.08
Overall gearing (times)	11.92	15.89
Interest coverage (times)	0.00	0.00

A: Audited; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: ALRPL has not cooperated with ICRA which has classified it in non-cooperative category vide press release dated July 12, 2024.

Any other information: NA

Rating history for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Debentures-Non Convertible Debentures	INE509P08031	31-Mar-2014	8%	28-April-2023	24.21	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE509P08049	31-Mar-2014	8%	28-April-2023	4.80	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE509P07090	27-Mar-2018	14%	27-Mar-2021	81.00	CARE D; ISSUER NOT COOPERATING*
Debentures-Optionally Fully Convertible Debentures	INE509P07074	31-Mar-2014	8%	31-Mar-2021	5.55	CARE D; ISSUER NOT COOPERATING*
Debentures-Optionally Fully Convertible Debenture	INE509P07082	31-Mar-2014	8%	31-Mar-2021	4.45	CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Debentures-Non Convertible Debentures	LT	29.01	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (16-May-24)	1)CARE D; ISSUER NOT COOPERATING* (22-May-23)	1)CARE D; ISSUER NOT COOPERATING* (30-May-22)
2	Debentures-Optionally Fully Convertible Debenture	LT	10.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (16-May-24)	1)CARE D; ISSUER NOT COOPERATING* (22-May-23)	1)CARE D; ISSUER NOT COOPERATING* (30-May-22)
3	Debentures-Non Convertible Debentures	LT	81.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (16-May-24)	1)CARE D; ISSUER NOT COOPERATING* (22-May-23)	1)CARE D; ISSUER NOT COOPERATING* (30-May-22)

*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities - NA

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non Convertible Debentures	Simple
2	Debentures-Optionally Fully Convertible Debenture	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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