

Naoolin Realcon Private Limited

June 23, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	50.00	CARE BB; Stable	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The rating assigned to the bank facilities of Naoolin Realcon Private Limited (NRPL) is constrained by leveraged capital structure with low networth base, exposure to group companies, saleability risk for the two ongoing projects, risk inherent to real estate sector, geographical concentration and fragmented real estate industry in Kolkata. The ratings, however, derives strength from the experience of promoter in real estate industry and satisfactory physical progress in ongoing projects.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Significant and timely progress in project construction without any major cost escalation.
- Cash inflows as envisaged from satisfactory sales velocity of the real estate project and sustained rental revenue leading to cash coverage above 2x.
- Significant improvement in capital structure with increase in networth.

Negative factors

- Substantial delay in bookings leading to slow collection then envisaged.
- Significant time and cost overrun of the projects leading to reduction in profitability of the projects.

Analytical approach: Standalone

Outlook: Stable

The Outlook is stable in view of expected satisfactory physical progress for the ongoing projects and expected stable revenues based on long track record of operations of the promoter in the real estate industry.

Detailed description of key rating drivers:

Key weaknesses

Geographical concentration and fragmented real estate industry in Kolkata

The company has major presence in the city of Kolkata, West Bengal, and its suburbs, which exposes the company to geographical concentration risk. Beside this, West Bengal real estate market is fragmented in nature with local players providing stiff competition. However, given the satisfactory track record of the company and promoters in execution of real estate projects in West Bengal in past, the risk is mitigated to a large extent.

Significant exposure to group companies

The company has provided advance to group companies of Rs.5.90 crores as on March 31, 2024, which is around 91% of the networth of the company. The advances are majorly given for the purpose of land purchases in the group companies.

Leveraged capital structure of the company along with low networth base

The capital structure of the company is marked leveraged on account of higher debt and a low networth base. The overall gearing ratio stood moderate at 4.39x (PY: 3.88x) as on March 31, 2024. The networth of the company stood at Rs 6.48 crore as on March 31, 2024, which is low as compared to other players operating in the industry.

Saleability risk for the projects

The ongoing project Sunshine Enclave has 6 towers out of which 4 are residential and 2 are commercial. It is a JDA project in which company's share is 60% of the total saleable area (158 units in the project). Out of the 158 units 85 units have been sold till April 2025. Furthermore CF-13 (Nostalgia) project is a G+7 floor commercial project which the company plans to lease out to corporates/ hospitality sector. The project is almost completed with completion certificate pending. The company has already

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

given in lease, ground floor (70%), first and second floor in monthly rentals to one of the reputable clients in Kolkata, West Bengal and is in discussion with various takers for leasing out rest of the area in the project hence exposing the company to saleability risk for the projects.

Risk inherent to real estate sector

Real estate sector is highly susceptible to economic cycles. Health of an economy in terms of gross domestic products (GDP), employment data, manufacturing activity, inflation, per capita income etc. affects the value of real estate in such a way that when economy is sluggish real estate sector is affected in a similar way. Also, the real estate market is negatively related with interest rate cycle. Expected increase in interest rate may discourage buyers from borrowing to finance real estate purchases and also increases the cost of construction for developers.

Key strengths

Long track record of the promoter, along with successful completion of projects in the past

The company is a part of Sun Asticus group. The group is primarily engaged in the business of real estate development and caters to both the commercial, residential and industrial segments. The group has successfully undertaken construction of over 40 projects, having build-up area of over 13,00,000 sqft in past. The group is also associated with telecom industry for companies majorly for electric as well as civil work. It has worked for reputable clientele such as Indus Towers Limited, Nokia, Vodafone and Reliance Jio Infocom Limited etc.

The day-to-day affairs of the company are looked after by Mr. Debashis Roy, promoter, having experience of around two decades in the Real Estate Industry and supported by a team of experienced professionals.

Satisfactory physical progress in ongoing projects

There are two ongoing projects in the company namely CF-13(Nostalgia) for rental purpose and Sunshine Enclave (Real estate project) launched in FY22 and FY23 respectively.

The CF-13(Nostalgia) is G+7 floor project having an area of 35,000 sqft whose construction is almost complete and is awaiting completion certificate.

Sunshine Enclave project has made satisfactory progress and around 70% of the total estimated project costs have already been expended till April 30, 2025. It is expected to be completed by February 2026.

The company is expected to launch another project, namely 'Varenya' in Newtown area during Q2FY26. Its saleable area will be around 1,50,000 square feet. The project construction is expected to start in next 1-2 months and expected to be completed in 2.5 years.

Liquidity: Adequate

The liquidity position is adequate marked by pending collections (committed stage payment) of around Rs. 5.34 crores as on April 30, 2025. The promoters have already infused Rs 14.76 crores in the ongoing projects as per requirement. The Sunshine Enclave project having loan amount of Rs 20.00 crore has sweep mechanism, where the loan amount gets prepaid as per cutback from customer payments.

The repayment obligation for CF-13 project has commenced from April 2025, which is currently being met by infusion from the promoters. However, the management expects revenue through leasing to commence from Q2FY26 leading to improvement in cash flows for the company.

The cash coverage ratio is expected to remain satisfactory at 1.86x in FY26 and improve thereafter.

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Rating methodology for Real estate sector](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Realty	Realty	Residential, Commercial Projects

Naoolin Realcon Private Limited (NRPL) was incorporated on August 14, 2015, in Kolkata, West Bengal. The company is primarily engaged in the business of real estate development and caters to both the commercial, residential and industrial segments. It is a part of Sun Asticus group. The group has successfully undertaken construction of over 40 projects, having build-up area of over 13,00,000 square feet sqft. The company has two projects ongoing currently. One real estate project and another for rental purpose. The real estate project named Sunshine Enclave has saleable area of 1,20,445 sqft. As on April 30, 2025, 70% of the

project has been completed with 64% of area has been sold. The CF-13(Nostalgia) project for rental purpose, having area of 35,000 sqft has been almost completed only completion certificate is pending.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	9MFY25(UA)
Total operating income	6.75	18.43	20.00
PBILDT	1.30	3.58	2.00
PAT	0.61	1.79	-
Overall gearing (times)	3.88	4.39	-
Interest coverage (times)	2.28	3.56	-

A: Audited UA: Unaudited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Bank Overdraft		-	-	-	6.50	CARE BB; Stable
Fund-based - LT-Term loan / Working Capital Facility		-	-	-	26.61	CARE BB; Stable
Fund-based - LT-Term Loan		-	-	March 2033	16.89	CARE BB; Stable

Annexure-2: Rating history for 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	Fund-based - LT-Term Loan	LT	16.89	CARE BB; Stable				
2	Fund-based - LT-Bank Overdraft	LT	6.50	CARE BB; Stable				
3	Fund-based - LT-Term loan / Working Capital Facility	LT	26.61	CARE BB; Stable				

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Bank Overdraft	Simple
2	Fund-based - LT-Term loan / Working Capital Facility	Simple
3	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

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

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

Contact us

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