

February 17, 2014

**CARE ASSIGNS 'CARE BB-' TO THE NCD ISSUE OF
ASHIANA LANDCRAFT REALTY PVT LTD**

Ratings

Facilities	Amount (Rs. crore)	Ratings ¹	Remarks
Non-convertible Debentures	180	CARE BB- [Double B Minus]	Assigned

Rating Rationale

The rating assigned to the non-convertible debentures of Ashiana Landcraft Realty Pvt Ltd (ALR) is constrained by the nascent stage of the project and high dependence on customer advances for project funding, necessitating a need for timely execution and sales of the project. The rating is further constrained by the pending approvals for the project. The rating, however, derives strength from the experienced promoters of ALR with their established track record and recognized brand name in the NCR region, reasonable booking status and financial closure achieved for the project. Going forward, the timely execution and saleability of the project and timely recovery of receipt/advances from the customers would be the key rating sensitivities.

Background

Incorporated in 2012, ALR is a joint venture between Ashiana Homes Pvt Ltd (AHPL) and Landcraft Developers Pvt Ltd (LDPL) formed solely for a premium real estate residential project development named 'The Center Court' located at Sector 88A, Gurgaon.

LDPL is the real estate vertical of the Garg group with a presence in Ghaziabad. The company has developed more than 20.73 lsf of area with seven residential and one commercial completed projects in Ghaziabad till January 31, 2014. Also, the company has seven ongoing projects in Ghaziabad with a total saleable area of 24.20 lsf with operations spanning across residential, commercial, retail and hospitality sectors.

AHPL is a real estate developer with a presence mostly in North India (especially NCR) and has developed more than 28.51 lsf of area with eight completed projects as on January 31, 2014. Also, the company has three ongoing projects with a total saleable area of 29.40 lsf located in UP, Odisha and Jaipur.

Indiareit, the real estate private equity arm of the Piramal group has invested Rs.100 crore and financial services company, India Infoline (IIFL) has invested Rs.80 crore in ALR.

Analyst Contact

Name: Gaurav Dixit

Tel: 011-4533235

Mobile: 9717070079

Email: gaurav.dixit@careratings.com

CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

CARE is headquartered in Mumbai, with Offices all over India. The office addresses and contact numbers are given below:

HEAD OFFICE: MUMBAI

Mr. D.R. Dogra

Managing Director
Mobile : +91-98204 16002
E-mail : dr.dogra@careratings.com

Mr. Rajesh Mokashi

Dy. Managing Director
Mobile +91-98204 16001
E-mail: rajesh.mokashi@careratings.com

Ms. Meenal Sikchi

Vice President –Bank Loan &
Instrument Rating
Mobile: +91-9819009839
mail: meenal.sikchi@careratings.com

Mr. Ankur Sachdeva

Vice President – Banks & Financial
Services
Mobile: +91-9819698985
E-mail: ankur.sachdeva@careratings.com

CREDIT ANALYSIS & RESEARCH LTD

HEAD OFFICE 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022 | Tel: +91-022- 6754 3456 | E-mail: care@careratings.com | Fax: +91-022- 6754 3457.

KOLKATA | **Ms. Priti Agarwal** | Cell: +91-98319 67110 | Tel: +91-33- 4018 1600/ 1602 | E- mail: priti.agarwal@careratings.com | 3rd Flr., Prasad Chambers (Shagun Mall Bldg), 10A, Shakespeare Sarani, Kolkata -700 071

CHENNAI | **Mr. V Pradeep Kumar** | Cell: +91 9840754521 | Tel: +91-44-2849 7812/2849 0811 | Fax: +91-44-2849 0876 | Email: pradeep.kumar@careratings.com | Unit No. O-509/C, Spencer Plaza, 5th Floor, No. 769, Anna Salai, Chennai - 600 002

AHMEDABAD | **Mr. Mehul Pandya** | Cell: +91-98242 56265 | Tel: +91-79-40265656 | Fax: +91-79-40265657 | E-mail:mehul.pandya@careratings.com | 32, Titanium, Prahaladnagar Corporate Road, Satellite, Ahmedabad - 380 015.

NEW DELHI | **Ms. Swati Agrawal** | Cell: +91-98117 45677 | Tel: +91- 11- 2331 8701/ 2371 6199 | E-mail: swati.agrawal@careratings.com | 3rd Floor, B -47, Inner Circle, Near Plaza Cinema, Connaught Place, New Delhi - 110 001.

BENGALURU | **Mr. Dinesh Sharma** | Cell: +91 9900041975 | Tel: +91-80-41150445 | 41654529 | E-mail: dinesh.sharma@careratings.com | Unit No. 1101-1102, 11th Floor, Prestige Meridian II, No. 30, M.G. Road, Bengaluru- 560 001.

HYDERABAD | **Mr. Saikat Roy** | Tel: +91-40-40102030 | E-mail: saikat.roy@careratings.com | 401, Ashoka Scintilla | 3-6-520, Himayat Nagar | Hyderabad - 500 029.

PUNE | **Mr. Rahul Patni** | Cell: +91-78754 33355 | Tel: +91-20- 4000 9000 | E-mail: rahul.patni@careratings.com | 9th Floor, Pride Kumar Senate, Plot No. 970, Bhamburda, Senapati Bapat Road, Shivaji Nagar, Pune - 411 015.

JAIPUR | **Mr. Rahul Jain** | Cell: +91-9314921496 | Tel: +91-0141-4020213/14 | E-mail: rahul.jain@careratings.com | 304, Pashupati Akshat Height, s Plot No. D-91, Madho Singh Road, Near Collectorate Circle, Bani Park , Jaipur – 302016.