

MARCH 21, 2016

## CARE REAFFIRMS RATINGS ASSIGNED TO BANK FACILITIES OF IREO GRACE REALTECH PRIVATE LIMITED

### Ratings

Facilities	Amount (Rs. crore)	Ratings <sup>1</sup>	Remarks
Long term Bank Facilities	47.50	<b>CARE BBB (Triple B)</b>	Reaffirmed
Short term Bank Facilities	-	<b>CARE A3+ (A Three+)</b>	Withdrawn
<b>Total Facilities</b>	<b>47.50 (Rupees Forty seven crore and fifty lakhs only)</b>		

### Rating Rationale

The ratings for the bank facilities of Ireo Grace Realtech Private Limited (IGRPL) continue to derive strength from its experienced promoters/ management and their established track record in executing real estate projects, reasonable sales status, fully paid-up land and all necessary approvals in place for the ongoing project.

The ratings are however, constrained due to high dependence on customer advances, project execution risk with significant portion of the cost yet to be incurred and subdued outlook of real estate industry. Going forward, the ability of the company to timely execute the project within the envisaged cost and timely recovery of the sales receipts/ customer advances shall be the key rating sensitivities

### Background

Incorporated in 2010, Ireo Grace Realtech Pvt Limited (IGRPL) is part of the IREO group, a real estate private equity fund with investable assets of USD 1.7 billion. Presently, IGRPL is developing a residential group housing project in Gurgaon under the name of 'IREO The Corridors'. IGRPL has accumulated land bank in Gurgaon region and proposes to launch more projects going forward. Presently, IGRPL has launched one GH housing project (The Corridors) on a land area of 37.5 acres comprising of 2,000 units.

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**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careratings.com](http://www.careratings.com)**

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In case of partnership/proprietary concerns, the rating assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

<sup>1</sup> Complete definition of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE publications

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