

October 07, 2019

## Srijan Realty Private Limited: Issuer rating withdrawn

### Summary of rated instruments

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Issuer Rating	NA	NA	[ICRA]A- (Stable) Withdrawn
Term Loans	59.24	59.24	[ICRA]A- (Stable); Outstanding
Fund Based - Overdraft	15.82	15.82	[ICRA]A- (Stable); Outstanding
Unallocated	74.94	74.94	[ICRA]A- (Stable); Outstanding
<b>Total</b>	<b>150.00</b>	<b>150.00</b>	

\*Instrument details are provided in Annexure-1

### Rationale

The issuer rating for Srijan Realty Private Limited (SRPL) has been withdrawn at the request of the company. This is in accordance with ICRA's policy on withdrawal and suspension of credit ratings.

The previous detailed rating rationale is available at the following link:

<https://www.icra.in/Rationale/ShowRationaleReport/?Id=82267>

### Analytical approach:

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">ICRA Policy on Withdrawal and Suspension of Credit Rating</a>
Parent/Group Support	Not applicable
Consolidation / Standalone	For arriving at the ratings, ICRA has taken a consolidated view of SRPL along with its operational group entities having ongoing projects and/or outstanding debt (as mentioned in Annexure-2), given the close business, financial and managerial linkages among them. In line with its methodology for rating real estate entities, Srijan Group's share of the cash flows across various group companies have been consolidated.

### About the company:

The Srijan Group, which undertakes commercial, retail, as well as residential real estate projects in East and South India, was founded by Sri Shyam Sunder Agarwal, Sri Ram Naresh Agarwal and his brothers. Srijan Realty Pvt Ltd, incorporated in 1996, is the flagship company of the Group. The Group has already executed over 8.7 million square feet of construction. A further approximately 1.5 million square feet of construction is planned at present.

The group also has a considerable presence in the marketing of real estate projects in Eastern India through group company, N. K. Realtors Pvt. Ltd. (NKRPL). NKRPL is amongst the largest marketing & selling agents of real estate developments in Eastern India, having sold, leased and rented more than 2.5 crore square feet of flats, offices, showrooms, godowns and sheds till date.

In FY2018, SRPL reported a net profit of Rs. 17.8 crore on an operating income of Rs. 98.2 crore, as compared to a net profit of Rs. 16.6 crore on an operating income of Rs. 70.9 crore in the previous year.

### Key financial indicators (stand-alone)

	FY2017	FY2018
Operating Income (Rs. crore)	70.93	98.2
PAT (Rs. crore)	16.63	17.8
OPBDIT/OI (%)	37.0%	35.4%
RoCE (%)	11.19%	11.1%
Total Debt/TNW (times)	0.74	0.8
Total Debt/OPBDIT (times)	4.93	4.2
Interest coverage (times)	1.60	2.0

*Note: As per ICRA estimates*

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

### Rating history for last three years:

Current Rating (FY2020)							Chronology of Rating History for the Past 3 Years			
Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs.crore)	Date &Rating	Date &Rating	Date &Rating	Date & Rating in FY2019	Date & Rating in FY2018	Date & Rating in FY2017	
				07-October, 2019	25-July, 2019	15-July, 2019	20-August, 2018	-	-	
1	Term Loans	Long Term	59.24	59.24	[ICRA]A-(Stable)	[ICRA]A-(Stable)	[ICRA]A-(Stable)	[ICRA]A-(Stable)	-	-
2	Fund Based - Overdraft	Long Term	15.82	15.82	[ICRA]A-(Stable)	[ICRA]A-(Stable)	[ICRA]A-(Stable)	[ICRA]A-(Stable)	-	-
3	Unallocated	Long Term	74.94	NA	[ICRA]A-(Stable)	[ICRA]A-(Stable)	[ICRA]A-(Stable)	[ICRA]A-(Stable)	-	-
4	Issuer Rating	Long Term	NA	NA	[ICRA]A-(Stable) Withdrawn	[ICRA]A-(Stable); Placed on Notice of Withdrawal for a period of 1 month	[ICRA]A-(Stable)	[ICRA]A-(Stable)	-	-

### Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [www.icra.in](http://www.icra.in)

### Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term Loans	Mar-2016 to Mar-2019	NA	Feb-2020 to Mar-2031	59.24	[ICRA]A- (Stable)
NA	Overdrafts	NA	NA	NA	15.82	[ICRA]A- (Stable)
NA	Unallocated Limit	NA	NA	NA	74.94	[ICRA]A- (Stable)

### Annexure-2: List of entities considered for consolidated analysis

Company Name	Economic Interest	Consolidation Approach
SRIJAN REALTY PRIVATE LIMITED	100%	Full Consolidation
SKY VIEW DEVELOPERS	37.5%	Proportional Consolidation
TRINITY INFRAPARK LLP	30%	Proportional Consolidation
PS SRIJAN REAL VENTURE LLP	50%	Proportional Consolidation
GREENFIELD CITY PROJECT LLP	50%	Proportional Consolidation
BADU ROAD DEVELOPERS LLP	37.5%	Proportional Consolidation
NEELANCHAL REALTORS LLP	15%	Proportional Consolidation
PS SRIJAN DEVELOPERS LLP	45%	Proportional Consolidation
PS SRIJAN HEIGHT DEVELOPERS	50%	Proportional Consolidation
REPROSCAN TECH PARK LLP	50%	Proportional Consolidation
SOUTH WIND PROJECT LLP	37.5%	Proportional Consolidation
SRIJAN STAR REALTY LLP	75%	Proportional Consolidation
PS SRIJAN ESTATES LLP	50%	Proportional Consolidation
PS SRIJAN CONCLAVE	50%	Proportional Consolidation

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