



## Infomerics Valuation and Rating Pvt Ltd

Press Release

Infomerics Valuation and Rating Pvt Ltd has assigned IVR BBB-(SO) (pronounced IVR triple B minus structured obligation) with Stable Outlook rating to the Rs.315 crores Non-Convertible Debenture of Radius & Deserve Land Developers Pvt Ltd. The NCDs are likely to have a tenor of 36 months. Instruments with this rating are considered to have moderate degree of safety for timely repayment of financial obligations and carry moderate credit risk.

The aforesaid rating derives strengths from the established brand of the promoters in the Mumbai real estate market, convenient project location, minimum collateral cover of 2x to be maintained during the lifetime of the NCDs and demonstrated ability of the promoters to close complete residential and commercial projects on time. The rating is however, constrained by high debt-funded nature of the project, non-receipt of certain environment clearances, uncertainty associated with company's rehabilitating the slum dwellers quickly, project execution risks and tepid real estate demand in Mumbai.

Radius & Deserve Land Developers Pvt Ltd (RDLDP), is a privately held real estate developer. The company was earlier incorporated as Amivarsha Land Developers Pvt Ltd in Dec 2006 and subsequently the name was changed to Deserve Land Developers Pvt Ltd in May 2013 and then to RDLDP in August 2015. The company had no activity till FY15. The company commenced development activity only in FY16 and has currently one project in its portfolio.

RDLDP has been promoted by Santosh Sarda and Sanjay Chhabria.

Santosh Sarda is the promoter of Deserve Land Developers Pvt Ltd. Deserve is one of the leading developers of Slum Rehabilitation Agency (SRA) projects in Mumbai. The company operated on an asset base of Rs 15 crores at FY15.

Radius Developers LLP was promoted by Sanjay Chhabria in FY15. Sanjay Chhabria was the MD of the Wadhwa group earlier to the launch of Radius. He is credited with the Wadhwa group becoming one of the premier real estate companies in Mumbai. The group has currently 11 ongoing projects with total saleable area of 32.5mn sq.ft.

The project is an SRA project situated at Borivali (East) in Mumbai. While certain clearances for the project have been obtained, MOEF clearances, NOC from high rise committee and Fire department are in the process. The project involves rehabilitation of slum dwellers and construction of residential buildings in a single phase. The total saleable area of the project is 8.23 lacs sq.ft. of which 96% sales are from the slum plot.

<b>Analytical Contact</b>	Sarnambar Roy	VP - Ratings	sroy@infomerics.com	+91-22-40036966
<b>BD Contact</b>	Sanjay Kher	VP - Business Development	skher@infomerics.com	+91-7506126780

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, not guarantee the



## **Infomerics Valuation and Rating Pvt Ltd**

### **Press Release**

accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are 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 us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOP's), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOP's 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/ AOP's in addition to the financial performance and other relevant factors.