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Asteroid Shelter Homes Private Limited

December 26, 2024

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	180.00 (includes proposed facility of Rs.1.56 Cr)	IVR BBB/ Stable (IVR triple B with Stable Outlook)	-	Assigned	Simple
Total	180.00 (INR one hundred and eighty crores only)				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

The long-term rating assigned to the bank facilities of Asteroid Shelter Homes Private Limited (ASHPL) considers the common management team and financial linkages between ASHPL and its group companies- GLD Infraprojects Private Limited (GLDIPL), Asteroid Shelter Homes Private Limited (ASHPL), Panch Tatva Promoters Private Limited (PTPPL), Bountiful Infraprojects Private Limited (BIPL), and Sawasdee Projects Private Limited (SPPL). Infomerics has taken a combined view of these entities referred together as Galaxy Group.

The long-term rating assigned to the bank facilities of Asteroid Shelter Homes Private Limited (ASHPL) derives strength from experienced management and satisfactory execution track record of the group in the real estate industry. The rating also favourably factors in locational advantage of the projects, favourable project cost structure, moderate saleability, healthy occupancy, diversified clientele, continued escalation and maintenance of DSRA and escrow accounts. However, these rating strengths are constrained due to geographical concentration risk, project implementation risk and exposure to risks relating to cyclical in real estate industry.

The outlook of ASHPL is expected to remain stable as it is supposed to benefit from the extensive experience of the promoters along-with favourable cost structure and promising industry outlook.

Key Rating Sensitivities:



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Upward Factors

- Timely receipt of customer advances
- Improvement in financial risk profile
- Scheduled completion of ongoing projects

Downward Factors

- If significant delay in disbursement of committed lines of funding
- If anticipated sales performance and collections vary significantly
- If time and cost overrun in the Projects occurred significantly

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Long track record of operations of the group and experienced management**

Galaxy Group has a long operational track record in the real estate industry for more than 15 years. The group has been developing various commercial as well as residential projects and has completed 3 residential projects, 6 commercial projects, 3 industrial warehouses and 1 hotel aggregating area of 6.07 million square feet. Further, the group has 1 upcoming project with a total built up area of around 4.50 lakh square feet. In addition to this, the promoter Mr. Pradeep Kumar Agrawalla and Ms. Sheetal Kumar Agrawalla are highly experienced and have been actively involved in the operations of the group since inception. Going forward, the long operational track record of the group, promoters extensive understanding and expertise will support the group's growth plans.

- **Locational advantage of the projects**

The projects are in the National Capital Region and the fastest developed & upper-middleclass locality having good marketability features. Further, the projects are surrounded by affluent residential colonies attracting a lot of customers. Excellent connectivity, presence of several commercial and entertainment hubs and affordable housing rightly qualify the projects as the ultimate real estate destination.

- **Favourable project cost structure, moderate saleability coupled with healthy occupancy with diversified clientele and continued escalation**



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The total cost envisaged to the projects in the group (namely Swasdee Centre, Novelty, Swasdee Heights, Swasdee NSP, Swasdee Gems & Swasdee 18) is Rs.1112.23 Cr, which is projected to be met through directors' contribution of Rs.574.36 Cr, term loan of Rs.301.46 Cr, and customer advances of Rs.236.41 Cr. The promoters' fund to total cost of the projects is ~51.64%, while the loan amount is ~27.10%. and customer advances constitute ~21.26%.

In Galaxy Blue Sapphire Plaza, out of the total saleable area of 12.73 lakh square feet, 8.33 lakh square feet has been sold, 2.05 lakh square feet has been leased out and 2.35 lakh square feet is unsold. Similarly, in Galaxy Diamond Plaza, out of the total saleable area of 5.63 lakh square feet, 3.28 lakh square feet has been sold, 1.41 lakh square feet has been leased out and 0.93 lakh square feet is unsold. Moreover, the group has rent escalation clause with each of the lessees which bodes well for long term lease rental flow for the group. The timely lease rent collection supporting stable cash flow will be a key rating monitorable.

For the ongoing projects, as on 31st October 2024, out of the 12.21 lakh square feet, 4.58 lakh square feet units have been sold, which is ~37.51% of the total saleable area. The remaining ~62.49% are still pending for sale. As majority units are commercial in nature, the sale of properties shifted to the end of construction period, primarily due to the inherent nature of the commercial properties market. The total sale value of the projects is Rs.1946.02 Cr, out of which the value of sold units is Rs.684.68 Cr of which the group has received Rs.119.50 Cr. (demand raised around Rs. 128.34 Cr), depicting robust collection efficiency of ~93%. The timely completion of the projects within the estimated cost will be the key rating sensitivity.

- **Maintenance of DSRA and escrow account**

The group is required to maintain a DSRA equivalent to three months interest and principal repayments which imparts additional comfort over the repayment of debt. Further, the revenue of the projects will be routed through an escrow account maintained with the bank. The withdrawals from account will be as per the predefined waterfall mechanism giving priority to debt obligations and last to operational expenses.

Key Rating Weaknesses

- **Geographical concentration risk**

As the projects of the group are mostly being executed in the NCR region, it is exposed to geographical concentration risk. The fortune of the projects therefore will depend on the overall



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market sentiment in the region. Although at present NCR region is in high demand due to Industrial & commercial growth.

- **Projects Implementation Risk**

The projects are in the mid construction stage which indicates a moderate degree of project implementation risk. As on October 31st, 2024, the physical construction of the group projects has been completed to 69% on average. However, the promoters have vast experience in real estate sector which mitigates risk to a large extent.

- **Exposure to risks relating to cyclicity in the real estate industry**

Being a cyclical industry, real estate depends on macro-economic factors and the group's dependence on a particular geography further heightens such risk. The real estate industry also remains susceptible to regulatory risk. Cumulatively, these may have a material bearing on the real estate project cash flow. This may impact the debt servicing ability of the group. Managing the same thus remains critical.

Analytical Approach: Combined

For the purpose of rating, we have combined the financial statements of GLD Infraprojects Private Limited (GLDIPL); Asteroid Shelter Homes Private Limited (ASHPL), Panch Tatva Promoters Private Limited (PTPPL), Bountiful Infraprojects Private Limited (BIPL), and Sawasdee Projects Private Limited (SPPL). This is because these companies are under control of same promoters, have business and financial linkages.

List of companies considered for combined analysis is given at Annexure 4.

Applicable Criteria:

[Rating Methodology for Real Estate Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Criteria of assigning rating outlook](#)

[Consolidation of companies](#)

[Policy on default recognition](#)

[Complexity level of rated Instruments/Facilities](#)

Liquidity– Adequate



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The adequate liquidity position of the group is on account of the total cash inflow during FY2025 (refers to period April 1st, 2024, to Mar 31, 2025) is to be Rs.497.31 Cr as against a total outflow of Rs.283.40 Cr, thereby having a surplus of Rs.213.91Cr and an average cumulative cash flow coverage ratio of 1.51 times. Further, the group is projected to maintain an adequate level of inflow and the same is expected to increase gradually with the improvement in bookings. In addition, availability of escrow account will ensure smooth repayments. Further, the group is likely to benefit from the resourcefulness of the promoters.

About the Company

Asteroid Shelter Homes Private Limited (ASHPL) is part of the galaxy group and is engaged in real estate business. ASHPL built a commercial complex “Galaxy Diamond Plaza” (completed in FY2019) in Gautam Budh Nagar of Noida. The commercial complex stands 15 floors tall, with floors 7 through 14 dedicated to business spaces. The project also features over 350 office spaces and 84 service apartments, complete with a swimming pool, gym, and restaurant. Further, the plaza is surrounded by a residential society and upcoming metro. The total Saleable Area of the Commercial Complex is ~ 5.62 lakh square feet, out of which company has already rented 1.41 lakh square feet and balance is largely sold. Currently, the company is developing two commercial projects, “Vasundra Project (Swasdee Centre)” and “Novelty Street” and one residential project, “Swasdee Height (Lawrence Road)”

Financials (Standalone):

(Rs. crore)

For the year ended/ As on*	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	14.95	22.27
EBITDA	20.21	42.39
PAT	0.73	3.01
Total Debt	367.13	392.78
Tangible Net Worth	55.26	87.41
EBITDA Margin (%)	135.18	190.35
PAT Margin (%)	3.84	11.18
Overall Gearing Ratio (x)	6.64	4.49
Interest Coverage (x)	0.88	0.99

* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not Applicable

Rating History for last three years:



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Sr. No.	Name of Security/Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
1.	Term Loan	Long Term	148.25	IVR BBB/ Stable	-	-	-
2.	Dropline OD	Long Term	30.19	IVR BBB/ Stable	-	-	-
3.	Proposed fund based facility	Long Term	1.56	IVR BBB/ Stable	-	-	-

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

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Annexure 1: Facility Details

Name of Facility/ Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan-1	-	-	-	September 2034	20.77	IVR BBB/ Stable
Dropline OD	-	-	-	June 2027	30.19	IVR BBB/ Stable
Term Loan-2	-	-	-	August 2030	70.00	IVR BBB/ Stable
Term Loan-3	-	-	-	August 2027	24.08	IVR BBB/ Stable
Term Loan-4	-	-	-	June 2027	33.40	IVR BBB/ Stable
Proposed Fund based facility	-	-	-	-	1.56	IVR BBB/ Stable

Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/len-Asteroid-dec24.pdf>

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for combined analysis:

Name of the Company	Consolidation Approach
GLD Infraprojects Private Limited (GLDIPL)	Full Combined
Asteroid Shelter Homes Private Limited (ASHPL)	Full Combined
Panch Tatva Promoters Private Limited (PTPPL)	Full Combined
Bountiful Infraprojects Private Limited (BIPL)	Full Combined
Sawasdee Projects Private Limited (SPPL)	Full Combined

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.