

June 8, 2010

**CARE ASSIGNS 'CARE B' RATING TO THE BANK FACILITIES OF  
APEX HOMES PVT LTD.**

**Ratings Assigned**

<b>Facilities/Instruments</b>	<b>Amount (Rs. crore)</b>	<b>Ratings<sup>1</sup></b>	<b>Remarks</b>
Long-term Bank Facilities	150.00	<b>'CARE B' (Single B)</b>	Assigned
<b>Total Facilities</b>	<b>150.00</b>		

**Rating Rationale**

The rating takes into account the limited track record of Apex Homes Private Limited (AHPL), residual project execution risk, pending project approvals, dependence on sales proceeds for project funding and inherent risk associated with the real estate sector. The rating considers the factors like the already acquired land which is fully paid up and the location advantage of the project.

Going forward, receiving timely approvals and subsequently completing the project effectively and meeting sales/lease targets within the envisaged time limit shall be the key rating sensitivities.

**Company Profile**

Incorporated in 2006, AHPL is in the process of developing a commercial complex at Vasant Kunj, Delhi. The ongoing commercial project is the first and presently the only project of AHPL. Mr. Amit Gehlot is the promoter of AHPL who has more than five years of experience in acquisition, execution and supervision of the residential and commercial project. The project is being developed on 2,885 square meters (sq mt) of land and shall have a total saleable/leasable area of 0.01 mn sq ft., to be completed by September 2011.

The project cost is estimated at Rs.272 crore, including Rs.157 crore towards land cost, Rs.38 crore towards total construction cost and Rs.77 crore towards financial overheads.

Land for the project has already been acquired and fully paid for.

AHPL has planned to fund the project at a debt-equity of 1.23x with Rs.50 crore from promoters' contribution (including quasi-equity in the form of unsecured loan), Rs.72 crore from internal accruals (customer advances) and Rs.150 crore from term loan.

**Analyst Contact**

Name: Kapil Sachdeva

Tel # 011-23716199

Mob# 09811404510

Email: [kapil.sachdeva@careratings.com](mailto:kapil.sachdeva@careratings.com)

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

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.

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

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

Cell : +91-98204 16002

E-mail : dr.dogra@careratings.com

**Mr. Rajesh Mokashi**

Dy. Managing Director

Cell : +91-98204 16001

E-mail: rajesh.mokashi@careratings.com

**Mr. Ankur Sachdeva**

Head - Business Development

Cell : +91-9819698985

E-mail: ankur.sachdeva@careratings.com

4<sup>th</sup> Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway,  
Sion (East), **Mumbai 400 022** Tel.: (022) 67543456 Fax: (022) 67543457

**Website: www.careratings.com**

**OFFICES**

<p>Mr.Mehul Pandya Regional Manager 32 TITANIUM Pralhadnagar Corporate Road, Satellite, <b>Ahmedabad - 380 015.</b> Tel – 079 4026 5656 Mobile - 98242 56265 E-mail: mehul.pandya@careratings.com</p>	<p>Mr.Sundara Vathanan Regional Manager Unit No. 8, I floor, Commander's PlaceNo. 6, Raja Ram Mohan Roy Road, Richmond Circle, <b>Bangalore - 560 025.</b> Tel – 080 2211 7140 Mobile – 98803 60878 E-mail: sundara.vathanan@careratings.com</p>
<p>Mr.Ashwini Jani Regional Manager Unit No. O-509/C, Spencer Plaza, 5th Floor, No. 769, Anna Salai, <b>Chennai 600 002</b> Tel: 044 2849 7812/2849 0811 Mobile – 91766 47599 E-mail : ashwini.jani@careratings.com</p>	<p>Mr. Rahul Patni Regional Manager 401, Ashoka Scintilla 3-6-520, Himayat Nagar<b>Hyderabad - 500 029</b> Tel – 040 _40102030 Mobile – 91600 04563 E-mail: rahul.patni@careratings.com</p>
<p>Mr. Sukanta Nag Regional Manager 3<sup>rd</sup> Floor, Prasad Chambers (Shagun Mall Building) 10A, Shakespeare Sarani <b>Kolkata - 700 071.</b> Tel – 033 2283 1800/1803 Mobile – 98311 70075 E- mail: sukanta.nag@careratings.com</p>	<p>Ms.Swati Agrawal Regional Manager 710 Surya Kiran, 19 K.G. Road, <b>New Delhi - 110 001.</b> Tel – 011 2331 8701/2371 6199 Mobile – 98117 45677 E-mail : swati.agrawal@careratings.com</p>