

Press Release

Brickwork Ratings assigns Rating for Proposed Bank Credit Facilities aggregating ₹ 30 Cr of MKS Infratech Pvt Ltd (MIPL” or “the Company”)

BLR Issue Rating: BWR B+

Outlook : Stable

Brickwork Ratings (BWR) has assigned the Rating¹ of **BWR B+** (Pronounced BWR B Plus) with a stable outlook for the proposed long term Bank credit facilities of ₹30 Crores of **MKS Infratech Pvt Ltd.**'s (“MIPL” or “the Company”).

Facility	Limits (₹Crs)	Tenure	Rating
Fund Based - Term Loan	30.00 (Proposed)	Long Term	BWR B+ (Pronounced BWR B Plus) (Outlook-Stable)
Total	₹30.00 Crores (INR Thirty Crores Only.)		

The rating factors, inter alia, experience of one of the promoters in construction contracting, low gearing levels, locational advantage of the project and adoption of conservative revenue recognition policy. However, the rating is constrained by no prior experience of the promoters in the residential projects, Stiff competition from new projects in the vicinity and project implementation and saleability risk coupled with inherent risk associated with the cyclical real estate industry.

The rating is sensitive to the ability of the company to deliver the projects on time and to sell the flats. Overall, we believe that in the current scenario, the real estate sector is substantially exposed to project execution, funding, pricing and regulatory risks.

¹ Please refer to BWR website www.brickworkratings.com for definition of the rating assigned.

Company Background:

MKS Infratech Private Limited was incorporated in June 2011. The Company has been formed as a consortium of group of companies for execution of Group Housing Project “La Royale” at Indirapuram, Ghaziabad. The names of the consortium companies are as under:

- a) M/s Midas Infraventures Pvt. Ltd.
- b) M/s Kashyapi Infrastructure Pvt. Ltd.
- c) M/s Shalviya Realtors Pvt. Ltd.
- d) M/s ABA Builders Ltd.

La Royale is the first project executed by MKS Infratech Pvt Ltd. The project is located plot no. GH-01, Indirapuram extension, Ghaziabad consisting of 2 towers having 23 floors each. The project will accommodate 112 flats comprising of 3 BHK and 4 BHK flats of different specifications. The project is located at Indirapuram Ghaziabad under Ghaziabad Development Authority.

The Towers are named Sapphire and Emerald comprising of 112 residential units. On tower Sapphire, 57 flats will be constructed while on tower Emerald, 55 flats has been proposed to be constructed. The map for the project has already been approved by Ghaziabad Development Authority. The construction on the project has also been commenced. The total area of plot is 7607 sq. mtrs.

Analysts Contact	Relationship Contact
analyst@brickworkratings.com	bd@brickworkratings.com
Phone	Media Contact
1-860-425-2742	media@brickworkratings.com

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