



ANSAL HOUSING & CONSTRUCTION LTD.

An ISO 9001:2008 Company

Registered & Head Office : 15, UGF, Indra Prakash, 21, Barakhamba Road, New Delhi - 110001
Ph.: +91-11-43577100 Fax: +91-11-23350847 www.ansals.com e-mail : ahcl@ansals.com

CIN:L45201DL1983PLC016821

Ref. No.: SECY/S-16/2017

5th April, 2017

Department of Corporate Services BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 Ph.No.: 022-22721233-34	Assistant Manager - Listing Compliance National Stock Exchange of India Limited (NSE) "Exchange Plaza", Bandra-Kurla Complex, Bandra (E) Mumbai - 400051 Ph.No.: 011-26598236
COMPANY NO. 507828	SYMBOL : ANSALHSG SERIES : EQ

SUB: Intimation under Regulation 30(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that India Ratings and Research (Ind-Ra) has revised (downgraded) the Credit Ratings of the Company with effect from 31st March, 2017.

Instrument-wise rating actions are given below:

Instrument Type	Size of Issue (million)	Rating/ Outlook	Previous Rating	Rating Action
Issuer Rating	-	IND BB(ISSUER NOT COOPERATING)/Negative	IND BBB-/Stable	Downgraded and Migrated to Non-Cooperating Category
Secured overdraft limits	INR750	IND BB(ISSUER NOT COOPERATING)/Negative	IND BBB-/Stable	Downgraded and Migrated to Non-Cooperating Category
Non-fund-based limits	INR716.3	IND A4+(ISSUER NOT COOPERATING)	IND A3	Downgraded and Migrated to Non-Cooperating Category
Term deposit programme	INR1,400	IND tB(ISSUER NOT COOPERATING)/Negative	IND tA-/Stable	Downgraded and Migrated to Non-Cooperating Category

In this regard, please find enclosed herewith the Press Release dated 31st March, 2017 issued by India Ratings and Research (Ind-Ra) for your information.

Explanation for delay in disclosing material information: Pursuant to Regulation 30(6) of SEBI (LODR) Regulation, 2015, the Company have to disclose the above information within 24 hours from the occurrence of event or information to Stock Exchange. The Company delayed in making the above disclosure within the timeframe as the Company has not received the final Letter from India Ratings





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and Research (Ind-Ra) evidencing the revision in Credit Rating. The Company came to know about revision in ratings after receipt of an e-mail from your Stock Exchange and thereafter upon visiting the official website of India Ratings and Research (Ind-Ra). We regret for such delay and assure you to make the timely disclosure of all the events and information in future within the time period as prescribed by the provisions of Listing Regulations.

Thanking you.

Yours faithfully,

For Ansal Housing & Construction Limited


(S.N. Grover)
Addl. V.P. & Company Secretary
M.No.: F4055



Encl: As above

India Ratings Downgrades Ansal Housing & Construction to 'IND BB'/Negative & Migrates Ratings to Non-Cooperating Category

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MAR 2017

By **Ashish Agrawal**

India Ratings and Research (Ind-Ra) has downgraded Ansal Housing & Construction Limited's (AHCL) Long-Term Issuer Rating to 'IND BB' from 'IND BBB-'. The Outlook is Negative. The rating action takes into account the continued stress on the company's earnings and liquidity profile and weakened debt metrics in FY16, which are expected to remain under pressure in the short-to-medium term.

The ratings have been migrated to non-cooperating category. The issuer did not participate in the surveillance exercise despite continuous requests and follow ups by the agency. Thus, the rating is on the basis of best available information. The rating will now appear as 'IND BB(ISSUER NOT COOPERATING)' on the agency's website. Instrument-wise rating actions are given below:

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (million)	Rating/ Outlook	Rating Action
Secured overdraft limits	-	-	-	INR750	IND BB(ISSUER NOT COOPERATING)/Negative	Downgraded and Migrated to Non-Cooperating Category
Non-fund-based limits	-	-	-	INR716.3	IND A4+(ISSUER NOT COOPERATING)	Downgraded and Migrated to Non-Cooperating Category
Term deposit programme	-	-	-	INR1,400	IND tB(ISSUER NOT COOPERATING)/Negative	Downgraded and Migrated to Non-Cooperating Category

Note: ISSUER NOT COOPERATING: Issuer did not cooperate; Based on best available information

KEY RATING DRIVERS

The downgrade reflects a significant decline in AHCL's consolidated revenue and EBITDA, and deterioration in credit metrics. Consolidated operating revenue plunged 39% yoy to INR4.86 billion in FY16 and EBITDA declined 19% yoy to INR1.07 billion indicating weak market sentiments which led to lower off-take from projects and decline in cash inflows. On a standalone basis, revenue slid to INR1.9 billion in 9MFY17 (9MFY16: INR3.2 billion) and EBITDA declined to INR431 million (INR499 million). Ind-Ra expects AHCL's revenue and EBITDA to remain under pressure in the short-to-medium term until an uptick is observed in the market sentiments.

Net adjusted leverage (total adjusted net debt/operating EBITDAR) deteriorated to 5.9x in FY16

(FY15: 4.8x), driven by a decline in operating profit. Gross interest coverage also declined to 1.0x in FY16 (FY15: 1.3x) on account of higher financing expenses and lower EBITDA. On a standalone basis, interest coverage ratio declined to 1.0x in 9MFY17 (9MFY16: 1.1x). The company's consolidated debt stood at INR6,526 million at end-FY16 (FY15: INR6,681 million). Ind-Ra expects the credit metrics to deteriorate further in the short term owing to a decline in cash inflows due to continued weak market scenario.

The downgrade also takes into account the increasing refinancing risk owing to significant debt repayments over FY17-FY20 (around INR2,531 million due in FY17) and weak cash inflows during FY16-FY17. Ind-Ra expects AHCL's cash inflows to be insufficient to meet its debt obligations due to subdued market conditions and reduced cash flow expectations from projects. Hence, the company will rely on refinancing to avail fresh debt until it witnesses an improvement in cash flows.

The ratings, however, continue to be supported by AHCL's established brand name due to its presence in the industry for over three decades and a track record of delivering real estate development of 76.6 million sf until FY15.

RATING SENSITIVITIES

Negative: Continued stress on earnings and liquidity, and inability to refinance debt could lead to a further rating downgrade.

COMPANY PROFILE

Incorporated in 1983, AHCL operates a real estate business with a key focus on northern India. The company is listed on the Bombay Stock Exchange and National Stock Exchange. The company primarily operates in Delhi NCR, Mumbai and Tier II and Tier III towns and commands a premium of 10-15% over its local peers.

RATING HISTORY

Instrument Type	Current Ratings			Historical Ratings		
	Rating Type	Amount Outstanding (million)	Rating	31 December 2015	13 August 2014	10 October 2013
Issuer rating	Long-term	-	IND BB(ISSUER NOT COOPERATING)/Negative	IND BBB-/Stable	IND BBB- /Stable	IND BB/Positive
Secured overdraft limits	Long-term	INR750	IND BB(ISSUER NOT COOPERATING)/Negative	IND BBB-/Stable	IND BBB-	IND BB
Non-fund-based limits	Short-term	INR716.3	IND A4+(ISSUER NOT COOPERATING)	IND A3	IND A3	IND A4+
Term deposit programme	Long-term	INR1,400	IND tB(ISSUER NOT COOPERATING)/Negative	IND tA-/Stable	'IND tA-'	-

COMPLEXITY LEVEL OF INSTRUMENTS

Bank facilities are instruments with low complexity levels, where the relationship between the inherent risk factors and intrinsic return characteristics is straightforward.

For more information, visit www.indiaratings.co.in/complexity-indicators.

SOLICITATION DISCLOSURES

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy

with respect to any investment, loan or security or any issuer.

ABOUT INDIA RATINGS AND RESEARCH

India Ratings and Research (Ind-Ra) is India's most respected credit rating agency committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance and leasing companies, managed funds, urban local bodies and project finance companies.

Headquartered in Mumbai, Ind-Ra has six branch offices located in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad and Kolkata. Ind-Ra is recognised by the Securities and Exchange Board of India, the Reserve Bank of India and National Housing Bank.

India Ratings is a 100% owned subsidiary of the Fitch Group.

For more information, visit www.indiaratings.co.in.

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