



Press Release

SPG Infraprojects Private Limited

October 14, 2024

Ratings

Facilities/ Instruments	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities**	49.00	IVR BB/ Negative; ISSUER NOT COOPERATING* (IVR Double B; with Negative Outlook / Issuer Not Cooperating*)	IVR BB+ / Negative; ISSUER NOT COOPERATING* (IVR Double B plus; with Negative Outlook / Issuer Not Cooperating*)	Downgrade and continued under Issuer Not Cooperating Category*	Simple
Short Term Bank Facilities	3.00	IVR A4; ISSUER NOT COOPERATING* [IVR A Four; Issuer Not Cooperating *]	IVR A4+ / ISSUER NOT COOPERATING* (IVR Single A Four Plus / Issuer Not Cooperating*)	Downgrade and continued under Issuer Not Cooperating Category*	Simple
Total	52.00	(Rupees Fifty-Two Crores only)			

**Issuer did not cooperate; Based on best available information*

***BG Tenor is more than 12 months*

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

Infomerics Ratings has downgraded its long-term rating as well as the short-term ratings to the bank facilities of SPG Infraprojects Private Limited and continued the same under “ISSUER NOT COOPERATING” category due to non-submission of information and lack of management corporation.

The aforesaid rating action to the bank facilities of SPG Infraprojects Private Limited reflects lack of adequate information available about the performance of the company and hence the uncertainty around its credit risk. Infomerics Ratings assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.



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Infomerics Ratings has rated the bank loan facilities of SPG Infraprojects Private Limited in September 2023. Despite close follow up through telephone calls and mails dated July 29, 2024, August 05, 2024, August 08, 2024, August 21, 2024, September 02, 2024, September 27, 2024, September 30, 2024, and concurrently over multiple phone calls for submission of required information for review and failure to submit minimum required information for a review is considered as an act of non-cooperation. In the absence of adequate information from the company, Infomerics Ratings is unable to assess the company's financial performance and its ability to service its debt and maintain a valid rating. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the Company. Based upon the same Infomerics Ratings has downgraded the rating to IVR BB/Negative and continued under ISSUER NOT COOPERATING* category for the long-term bank facilities and has also downgraded the rating to 'IVR A4' and continued under 'ISSUER NOT COOPERATING' category* for short term bank facilities of SPG Infraprojects Private Limited.

Non-Cooperation by Issuer:

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics Ratings has to assign the rating based on the best available information. Accordingly, the bank loan facilities of SPG Infraprojects Private Limited, aggregating to Rs 52.00 crore have been continued under the 'ISSUER NOT COOPERATING' category and the rating for long term be noted as 'IVR BB/Negative; ISSUER NOT COOPERATING' and rating for short-term be 'IVR A4; ISSUER NOT COOPERATING' by IVR based on best available information.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Infrastructure Companies](#)

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

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Criteria for assigning rating outlook](#)

[Policy on default recognition & Post- Default Curing Period](#)

[Complexity level of rated instruments/facilities](#)



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Liquidity: Unable to comment due to lack of adequate information

About the Company

SPG Infraprojects Private Limited (SIPL) was originally established as a partnership concern (M/s Shirpal Goel) in the year 1962 to carry out various civil construction contracts and later in 2012, the partnership concern was taken over in continuity by SIPL. It is currently managed by directors namely Mr. Ashok Kumar Goel, Mr. Varun Goel, Mr. Kunal Jain, Mr. Mukul Jain and Mr. Rahul Chauhan. The company is engaged in the construction of civil, electrical, commercial, road and railway development projects for both private organizations and government departments. It currently operates in Delhi, Uttar Pradesh, Maharashtra, Rajasthan, Haryana and Uttarakhand.

Financials (Standalone): Latest financials are not available. **(Rs. Crore)**

For the year ended as on	31-03-2021	31-03-2022
	Audited	Provisional
Total Operating Income	94.43	170.49
EBITDA	6.82	12.11
PAT	2.51	6.03
Total Debt	24.43	48.32
Tangible Networth	37.25	43.29
EBITDA Margin (%)	7.22	7.10
PAT Margin (%)	2.64	3.52
Overall Gearing Ratio (x)	0.42	0.43
Interest Coverage (x)	3.12	4.17

**Classification as per Infomerics` Standard*

Status of non-cooperation with previous CRA: The rating is continued under ISSUER NOT COOPERATING category with Acuite Ratings & Research Limited via press release dated January 16, 2024.

Any other information: Not Applicable

Rating History for last three years:



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Sr. No.	Name of Instrument/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 (Sep 21, 2023)	Date(s) & Rating(s) assigned in 2022-23 (July 18, 2022)	Date(s) & Rating(s) assigned in 2021-22
1.	Cash Credit	Long Term	5.00	IVR BB/ Negative; ISSUER NOT COOPERATING*	IVR BB+ / Negative; ISSUER NOT COOPERATING*	IVR BBB/Stable	--
2.	Bank Guarantee**	Long Term	44.00	IVR BB/ Negative; ISSUER NOT COOPERATING*	IVR BB+ / Negative; ISSUER NOT COOPERATING*	IVR BBB/Stable	--
3.	Overdraft	Short Term	3.00	IVR A4/ ISSUER NOT COOPERATING*	IVR A4+ / ISSUER NOT COOPERATING*	IVR A3+	--

*Issuer not cooperating; Based on best available information

**BG Tenor is more than 12 months

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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).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.



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Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com.

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 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, do not guarantee the 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 (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs 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/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Instrument/Facility Details

Name of Facility	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facility-Cash Credit	-	-	-	-	5.00	IVR BB/ Negative; ISSUER NOT COOPERATING*
Long Term Bank Facility-Bank Guarantee**	-	-	-	-	44.00	IVR BB/ Negative; ISSUER NOT COOPERATING*
Short Term Bank Facility-Overdraft	-	-	-	-	3.00	IVR A4/ ISSUER NOT COOPERATING*

* Issuer did not cooperate; based on best available information

**BG Tenor is more than 12 months

Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Len-SPG-Infraprojects-14oct24.pdf>

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

Annexure 4: List of companies considered for consolidated analysis: Not Applicable



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

