



Press Release

Shrushti Contech Private Limited (SCPL)

September 30, 2024

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	55.00	IVR BB+/ Negative; ISSUER NOT COOPERATING* (IVR Double B Plus with Negative Outlook; ISSUER NOT COOPERATING*)	IVR BBB- / Stable Outlook [IVR Triple B Minus with Stable Outlook]	Downgraded with revision in outlook and migrated to ISSUER NOT COOPERATING* category	Simple
Short Term Bank Facilities	50.00	IVR A4+; ISSUER NOT COOPERATING* (IVR A Four Plus; ISSUER NOT COOPERATING*)	IVR A3 [IVR A Three]	Downgraded with revision in outlook and migrated to ISSUER NOT COOPERATING* category	Simple
Long/ Short Term Bank Facilities	50.00	IVR BB+ / Negative Outlook; ISSUER NOT COOPERATING* IVR A4+; ISSUER NOT COOPERATING* [IVR Double B Plus with Negative Outlook ISSUER NOT COOPERATING*; IVR A Four Plus ISSUER NOT COOPERATING*]	IVR BBB- / Stable Outlook; IVR A3 [IVR Triple B Minus with Stable Outlook; IVR A Three]	Downgraded with revision in outlook and migrated to ISSUER NOT COOPERATING* category	Simple
Total	155.00	(Rupees One Hundred and Fifty-Five Crore Only)			

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



Press Release

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 has downgraded the ratings assigned to the bank facilities of SCPL due to lack of adequate information available and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy. The outlook is revised to negative due to information availability risk.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as this rating may not adequately reflect the credit risk profile of the entity.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data & NDS to monitor its assigned rating to the bank facilities, vide mail communications dated July 16, 2024, July 30, 2024, August 28, 2024, September 02, 2024, September 18, 2024 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details/information for surveillance exercise.

Availability of information is very critical in the rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information.

Accordingly, the long-term and short-term rating for the bank facilities of SCPL aggregating to Rs. 155.00 crore shall be downgraded and migrated to ISSUER NOT COOPERATING category and long-term rating will be denoted as IVR BB+/Negative; ISSUER NOT COOPERATING and short-term rating will be denoted as IVR A4+; ISSUER NOT COOPERATING based on best available information by Infomerics Ratings.



Press Release

Analytical Approach: Consolidated

For arriving at the rating, Infomerics has combined the business and financial risk profiles of 2 companies Shrushti Contech Private Limited (SCPL) and Sun Shrushti Private Limited (SSPL) moving forward referred as a Shrushti group, as they are in the same lines of business under a common management and have financial linkages & legal linkages as Sun Shrushti Private Limited (SSPL) is the subsidiary of Shrushti Contech Private Limited (SCPL).

Applicable Criteria:

[Policy on Issuer Not-Cooperating](#)

[Criteria of assigning Rating outlook](#)

[Policy on Default Recognition and Post – Default Curing Period](#)

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

[Complexity Level of Rated Instruments/Facilities](#)

[Rating criteria for consolidation of companies](#)

[Rating Methodology for Infrastructure Companies](#)

About the Company

SCPL is engaged into execution of EPC works. It is also into the manufacturing of pre-stressed concrete poles (PSCC) with an installed capacity of 1,90,800 poles per annum.

Financials (Consolidated):

For the year ended/ As on*	(Rs. crore)	
	31-03-2022	31-03-2023
	Audited	Provisional
Total Operating Income	92.97	117.63
EBITDA	12.59	13.63
PAT	5.95	5.52
Total Debt	40.05	44.40
Tangible Net Worth	46.25	52.11
EBITDA Margin (%)	13.54	11.59
PAT Margin (%)	6.38	4.68
Overall Gearing Ratio (x)	0.56	0.58
Interest Coverage (x)	2.59	2.64

* Classification as per Infomerics' standards.



Press Release

Status of non-cooperation with previous CRA: Nil

Any other information: Not Applicable

Rating History for last three years:

Sr. No	Name of Security/Facilities	Current Ratings (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
					Date (August 08, 2023)	Date (October 03, 2022)	Date (August 10, 2021)
1.	Long Term Bank Facilities - Cash Credit	Long Term	20.00	IVR BB+/ Negative; ISSUER NOT COOPERATING*	IVR BBB- / Stable Outlook	IVR BB+; Issuer Not Cooperating*	IVR BBB- / Credit watch with developing implications
2.	Long Term Bank Facilities - Secured Overdraft Loan	Long Term	15.00	IVR BB+/ Negative; ISSUER NOT COOPERATING*	IVR BBB- / Stable Outlook	IVR BB+; Issuer Not Cooperating*	IVR BBB- / Credit watch with developing implications
3.	Proposed Long Term Bank Facilities - Cash Credit	Long Term	20.00	IVR BB+/ Negative; ISSUER NOT COOPERATING*	IVR BBB- / Stable Outlook	IVR BB+; Issuer Not Cooperating*	IVR BBB- / Credit watch with developing implications
4.	Long Term/ Short Term Bank Facilities – Bank Guarantee	Long Term / Short Term	50.00	IVR BB+ / Negative Outlook; IVR A4+	IVR BBB- / Stable Outlook; IVR A3	IVR BB+/ IVR A4+; Issuer Not Cooperating*	IVR BBB- / Credit watch with developing implications



Press Release

Sr. No	Name of Security/Facilities	Current Ratings (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
					Date (August 08, 2023)	Date (October 03, 2022)	Date (August 10, 2021)
							ns; IVR A3
5.	Proposed Short Term Bank Facilities – Bank Guarantee	Short Term	50.00	IVR A4+; ISSUER NOT COOPERATING*	IVR A3	IVR A4+; Issuer Not Cooperating*	IVR A3

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

Analytical Contacts:

Name: Amey Joshi

Tel: (022) 6239 6023

Email: amey.joshi@infomerics.com

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.

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.



Press Release

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

For more information and definition of ratings please 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/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities - Cash Credit	-	-	-	--	20.00	IVR BB+/ Negative; ISSUER NOT COOPERATING*
Long Term Bank Facilities - Secured Overdraft Loan	-	-	-	--	15.00	IVR BB+/ Negative; ISSUER NOT COOPERATING*
Proposed Long Term Bank Facilities - Cash Credit	-	-	-	--	20.00	IVR BB+/ Negative; ISSUER NOT COOPERATING*
Long Term/ Short Term Bank Facilities – Bank Guarantee	-	-	-	--	50.00	IVR BB+ / Negative Outlook; IVR A4+
Proposed Short Term Bank Facilities – Bank Guarantee	-	-	-	--	50.00	IVR A4+; ISSUER NOT COOPERATING*



Press Release

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

Annexure 2: Facility wise lender details: Not Applicable

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

Annexure 4: List of companies considered for consolidated analysis:

Name of the company	Consolidated Approach
Shrushti Contech Private Limited	Consolidation
Sun Shrushti Private Limited	Consolidation

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.