



Press Release

Simplex Infrastructures Ltd

July 01, 2022

Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action	Complexity Indicator
Long Term Bank facilities	2600.00	IVR D; ISSUER NOT COOPERATING* (IVR Single D; Issuer Not Cooperating)	Reaffirmed and continued to remain under 'Issuer Not Cooperating' category	Simple
Short Term Fund Based Facilities	75.00	IVR D; ISSUER NOT COOPERATING* (IVR Single D; Issuer Not Cooperating)	Reaffirmed and continued to remain under 'Issuer Not Cooperating' category	Simple
Total	2675.00 (Rupee Two thousand six hundred seventy five crore)			

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

Details of Facility are in Annexure 1

Detailed Rationale

The rating is reaffirmed and remained under 'Issuer Not Cooperating' category because of lack of adequate information regarding Simplex Infrastructures Ltd.'s performance. The rating reaffirmation considers the continued delays in servicing debt obligations owing to the poor liquidity position.

Non-cooperation by Issuer



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Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide e-mail communications dated June 8, 2022, June 13, 2022, June 16, 2022 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has remained non-cooperative. In the absence of the requisite cooperation, in consonance with SEBI guidelines, the company's rating has been maintained in Issuer Not Cooperating category. Accordingly, the long- term and short-term rating for the bank loan facilities of Simplex Infrastructures Limited aggregating to Rs. 2675 crore has been maintained in the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as "IVR D: Issuer Not Co-operating; Based on best available information. (IVR D: Issuer Not Co-operating; Based on best available information)".

Analytical Approach: Standalone

Applicable Criteria:

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

[Criteria on Default Recognition and Post-Default Curing Period](#)

[Rating Methodology for Infrastructures companies](#)

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

About the Company

Simplex Infrastructures Ltd. was established by Mr. H. P. Lancaster, an Englishman, in 1924. It was he who invented the piling system which became synonymous with the name of the company and became known as the 'Simplex' system of piling. Simplex was subsequently taken over by the Mundhra family of Kolkata, the current promoters, in 1947. The current promoters are solely focused on this business for almost seven decades. Simplex is one of the largest players in the domestic construction sector providing services encompassing the whole gamut of civil and structural construction activities including turnkey projects comprising



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layout plan, detailed civil and engineering design, architecture, structural construction and complete execution and commissioning.

Financials (Standalone)

(Rs. crore)

For the year ended* / As On	FY21	FY22
	Audited	Audited
Total Operating Income	2020.21	1736.29
EBITDA	16.13	37.62
PAT	-460.97	-526.31
Tangible Net Worth	942.89	150.44
Total Debt	4538.59	5284.36
EBITDA margin (%)	0.80	2.17
PAT margin (%)	-22.27	-29.70
Overall gearing (x)	4.81	35.13

*Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2022-23)			Rating History for the past 3 years			
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20	
1.	Long Term Bank Facilities	Long Term	2600.00	IVR D; ISSUER NOT COOPERATING*	IVR D; ISSUER NOT COOPERATING* (May 21, 2021)	-	IVR D (Feb 22, 2020)	IVR C (Dec 16, 2019)
2.	Short Term Fund Based Facilities	Short Term	75.00	IVR D; ISSUER NOT COOPERATING*	IVR D; ISSUER NOT COOPERATING*	-	IVR D (Feb 22, 2020)	IVR A4 (Dec 16, 2019)



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Sr. No	Name of Instrument/Facilities	Current Rating (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20
					(May 21, 2021)		

* Issuer did not cooperate; based on best available information

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About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

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

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, suspend 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



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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: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities	-	-	-	2600.00	IVR D; Issuer Not Cooperating*
Short Term Fund Based Facilities	-	-	-	75.00	IVR D; Issuer Not Cooperating*

* Issuer did not cooperate; based on best available information

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details: Not Applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

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.