

July 10, 2024

SVP Builders (I) Limited: Continues to remain under Issuer Non-Cooperating Category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Term Loan	50.00	50.00	[ICRA]B+(Stable);ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term - Unallocated	20.00	20.00	[ICRA]B+(Stable);ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	70.00	70.00	

*Issuer did not cooperate; based on best available information

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Long- Term rating for the Bank facilities of SVP Builders (I) Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B+(Stable);ISSUER NOT COOPERATING"

As part of its process and in accordance with its rating agreement with SVP Builders (I) Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities : [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Rating Methodology – Realty - Commercial/Residential/Retail
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

The flagship company of SVP Group, SVP Builders (I) Limited, is a real estate development company with presence in commercial and residential real estate. The company has executed various real estate residential projects mainly in Ghaziabad like 'Gulmohar Enclave' in Nehru Nagar (Ghaziabad), 'Gulmohar Residency' in Indirapuram (Ghaziabad), 'Gulmohar Garden' in Raj Nagar Extension (Ghaziabad), and 'Gulmohar Vatika' in Wave City (Ghaziabad). Further, it has entered into a partnership with its promoter, Mr. Vijay Kumar Jindal, in the firm -Friends land Developers [rated [ICRA] B (Stable) Issuer not Cooperating], to develop 'Gulmohar Greens' near Hindon Air Force Station in Ghaziabad. And has also entered a partnership with Ashok Wadia Group for undertaking development of a residential real estate project – Grand Royale - at Kaushambi.

Currently the company is executing residential real estate projects in Ghaziabad by the name of Utopia the Nest (Gulmohar Garden Phase 3) in Raj Nagar Extension and The Imperial (Gulmohar Vasant) in Nehru Nagar which was completed in December 2022 and company has received the completion certificate in January 2023.

Key financial indicators:

Standalone	FY 2022	FY 2023
Operating Income (Rs. crore)	123.00	137.9
PAT (Rs. crore)	4.2	1.5
OPBDITA/OI (%)	10.3%	7.3%
PAT/OI (%)	3.4%	1.1%
Total Outside Liabilities/Tangible Net Worth (times)	3.0	1.6
Total Debt/OPBDITA (times)	4.8	5.8
Interest Coverage (times)	1.6	1.3

PAT: Profit after Tax; OPBDITA: Operating Profit before Depreciation, Interest, Taxes and Amortization

Source: Company

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

	Instrument	Type	Amount Rated (Rs. Crore)	Current Rating (FY2025)		Chronology of Rating History for the past 3 years		
				Date & Rating in		Date & Rating in FY 2023	Date & Rating in FY 2022	Date & Rating in FY 2021
				10 Jul 2024	03 Apr 2024	20 Jan 2023	20 Dec 2021	30 Oct 2020
1	Fund Based -Term Loan	Long Term	50.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB(Stable)	[ICRA]B(Stable); ISSUER NOT COOPERATING	[ICRA]B(Stable); ISSUER NOT COOPERATING
2	Unallocated	Long Term	20.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB(Stable)	[ICRA]B(Stable); ISSUER NOT COOPERATING	[ICRA]B(Stable); ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Fund Based-Term Loan	Simple
Unallocated	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Fund Based-Term Loan -1	May 2022	11.50%	Mar 2024	10.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Fund Based-Term Loan -2	Jan 2022	16.0%	Mar 2025	40.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	20.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING

Source: SVP Builders (I) Limited

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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