

February 24, 2020

## Grand View Estates Private Limited: Rating withdrawn

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible Debenture Programme	150.0	-	[ICRA]A(CE); (Negative); Withdrawn

*\*Instrument details are provided in Annexure-1*

Note: The (CE) suffix mentioned alongside the rating symbol indicates that the rated instrument/facility is backed by some form of explicit credit enhancement. Earlier, the rating symbol for this instrument/facility used to be accompanied by the (SO) suffix.

### Rationale

The rating for Rs. 150 crore non-convertible debenture (NCD) programme of Grand View Estates Private Limited (GVEPL) have been withdrawn at the request of the company as they have repaid already and upon receipt of confirmation for the same from Debenture Trustee, in accordance with ICRA's policy on withdrawal and suspension of credit rating.

### Key rating drivers and their description: Not Applicable

### Liquidity position: Not Applicable

### Rating sensitivities: Not Applicable

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">ICRA Policy on Withdrawal and Suspension of Credit Ratings</a>
Parent/Group Support	Parent/Group Company: Shapoorji Pallonji Group For arriving at the ratings, ICRA has taken into account the unconditional and irrevocable DSRA guarantee from SPCPL that would cover all the repayment obligations to the lender as per the terms of the transaction documents
Consolidation/Standalone	Not Applicable

### About the company

Shapoorji Pallonji and Company Private Limited holds 50% equity stake in GVEPL with the rest of the stake being held by Anand Agencies Private Limited (Shapoorji Pallonji Group Company). GVEPL is engaged in the revival of sick/loss-making units and is currently engaged in reviving The Svadeshi Mills Company Limited (SMCL), an entity currently under liquidation. GVEPL holds around 29% equity stake in SMCL and is also a secured creditor of the latter.

## Key financial indicators (audited)

	FY2018	FY2019
Operating Income (Rs. crore)	0.0	0.0
PAT (Rs. crore)	-0.8	-0.2
OPBDIT/OI (%)	-	-
RoCE (%)	2.0%	0.8%
Total Outside Liabilities/Tangible Net Worth (times)	-50.1	-48.8
Total Debt/OPBDIT (times)	-184.0	-144.1
Interest Coverage (times)	-0.3	-0.9
DSCR	0.9	0.8

## About Guarantee Provider

Shapoorji Pallonji and Company Private Limited (SPCPL), is the flagship company of the Shapoorji Pallonji Group (SP Group), which is a diversified industrial conglomerate comprising of a group of companies held by the Mistry Family. The SP Group has a diversified presence across sectors such as construction (SPCPL, Afcons Infrastructure Limited), mechanical electrical and plumbing (Sterling & Wilson Private Limited), contracting (Sterling & Wilson Private Limited), water purification (Eureka Forbes Limited), infrastructure development (Shapoorji Pallonji Infrastructure Capital Company Private Limited), solar power generation and contracting (Sterling & Wilson Private Limited and Shapoorji Pallonji Infrastructure Capital Company Private Limited ), floating production storage and offloading (FPSO) vessels (SP Oil & Gas Private Limited) etc. The SP Group is also the largest private shareholder (18.37%) in Tata Sons Private Limited, the holding company of the Tata Group.

SPCPL, which is held by Mistry family through various group companies, functions as the holding-cum-operating company of the SP Group. The company holds stakes in various listed and unlisted companies, within and outside the SP Group, and also has significant investments in properties that have high market value. SPCPL is one of India's leading construction companies, with a heritage of more than 150 years. Over the years, SPCPL has built diverse civil and engineering structures such as factories, stadiums and auditoriums, airports, hospitals, housing complexes, and power plants.

For detailed rating rationale on Shapoorji Pallonji and Company Private Limited, [click here](#) for referring to the release published on ICRA website.

### Key Financial Indicators (Standalone)

	FY2018	FY2019
Operating Income (Rs. crore)	9,823	13,474
PAT (Rs. crore)	342	368
OPBDIT/ OI (%)	13.4%	11.90%
RoCE (%)	11.6%	12.1%
Total Debt/ TNW (times)	2.9	2.7
Total Debt/ OPBDIT (times)	5.8	5.9
Interest coverage (times)	1.8	1.9

Source: Company, ICRA Research

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

### Rating history for past three years

	Instrument	Rating (FY2020)						Rating History for the Past 3 Years				
		Type	Amount Rated	Amount Outstanding	Current Rating	Earlier Rating		FY2019			FY2018	
					24-Feb-2020	4-Dec-2019	28-May-2019	28-Nov-18	25-July-18	6-Apr-18	27-Jun-2018	9-Mar-2018
1	NCD	Long Term	150	0	[ICRA]A(CE) (Negative); withdrawn	[ICRA]A(CE) (Negative)	[ICRA]A+(SO) &	[ICRA]AA-(SO) &	[ICRA]AA(SO) (Stable)	[ICRA]AA(SO) (Stable)	[ICRA]AA(SO) (Stable)	[ICRA]AA(SO) (Stable)

Amount in Rs. Crore

### Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [www.icra.in](http://www.icra.in)

## Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE347N08049	Non-Convertible Debenture	08-Jun-17	9.60%	7-June-20	-	[ICRA]A (CE); (Negative); withdrawn

Source: GVEPL

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