

April 03, 2024

SVP Builders (I) Limited: Ratings Moved to Non-Cooperating category, Ratings downgraded based on best available information

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long term – Term Loan	50.00	50.00	[ICRA]B+(Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB (Stable) and Rating moved to 'Issuer Not Cooperating' Category.
Long term – Unallocated	20.00	20.00	[ICRA]B+ (Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB (Stable) and Rating moved to '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

The rating downgrade is because of lack of adequate information regarding **SVP Builders (I) Limited (SVPBL)** performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its “Policy in respect of non-cooperation by a rated entity” available at www.icra.in. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

As part of its process and in accordance with its rating agreement with **SVP Builders (I) Limited (SVPBL)**, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated 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, a rating view has been taken on the entity based on the best available information.

Please refer to the following link for the previous detailed rationale that captures the 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	Corporate Credit Rating Methodology Rating Methodology – Realty- Commercial/Residential/Retail Policy in respect of Non-cooperation by a rated entity
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

About the company

SVP Builders (I) Limited (SVPBL), is a real estate development company with presence in commercial and residential real estate. The company has executed various residential real estate projects primarily in Ghaziabad market covering more than

~2msf area. Currently the company is executing residential real estate projects by the name of Utopia the Nest (Gulmohar Garden Phase 3) in Raj Nagar Extension and The Imperial (Gulomhar Vasant) in Nehru Nagar which was completed in December 2022 and company has received the completion certificate in January 2023.

SVP Builders (I) Limited is a part of SVP Group having an established track record in real estate market of Ghaziabad. The Group was founded in the year 1992 and has so far completed about 12 residential real estate projects in Ghaziabad covering area of more than 4 msf (million square feet). SVP Group is promoted by Mr. Vijay Kumar Jindal, who has been associated with Real estate, Liquor, Education and Hotel Industries for about two decades.

Key financial indicators (audited)

	FY2022	FY2023
Operating income (Rs. crore)	123.0	137.9
PAT (Rs. crore)	4.2	1.5
OPBDIT/OI (%)	10.3%	7.3%
PAT/OI (%)	3.4%	1.1%
Total outside liabilities/Tangible net worth (times)	3.0	1.6
Total debt/OPBDIT (times)	4.8	5.8
Interest coverage (times)	1.6	1.3

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation; Source: Company annual reports, ICRA Research.

Status of non-cooperation with previous CRA: None

Any other information: None

Rating history for past three years

Instrument		Current Rating (FY2025)			Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in FY2025	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
					April 03, 2024	January 20, 2023	December 20, 2021	October 30, 2020
1	Long term Term Loan	Long term	50.00	41.5	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA] BB (Stable)	[ICRA] B (Stable); ISSUER NOT COOPERATING	[ICRA] B (Stable); ISSUER NOT COOPERATING
2	Long term Unallocated	Long term	20.00	0.0	[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
Long Term – Term loan	Simple
Long term – 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-I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term Loan 1	May 2022	11.50%	Mar 2024	10.0	[ICRA] B+ (Stable); ISSUER NOT COOPERATING
NA	Term Loan 2	Jan 2022	16.0%	Mar 2025	40.0	[ICRA] B+ (Stable); ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	20.0	[ICRA] B+ (Stable); ISSUER NOT COOPERATING

Source: Company

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

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About ICRA Limited:

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Branches



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