



## Press Release

### BGR Construction LLP

December 11, 2024

#### Ratings

Facilities	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Long Term Bank Facilities – LRD	99.50	IVR BB-/Negative/ INC* (IVR Double B minus/Negative Outlook/ ISSUER NOT COOPERATING)	IVR BB/Negative/INC (IVR Double B with Negative Outlook /ISSUER NOT COOPERATING)	Downgraded and Continued under ISSUER NOT COOPERATING category	Simple
<b>Total</b>	<b>99.50</b>	<b>Rupees Ninety-nine Crore and Fifty Lakh Only</b>			

\* ISSUER NOT COOPERATING; Based on best available information

Details of Facilities/Instrument are in Annexure 1

Facility wise lender details are at Annexure 2

Detailed explanation of covenants is at Annexure 3

#### Ratings

The rating has been reaffirmed and continued under 'ISSUER NOT COOPERATING' category due to non-submission of information and lack of management co-operation.

#### Detailed Rationale

The rating revision is because of lack of adequate information BGR Construction LLP performance and hence the uncertainty around its credit risk. Infomerics Valuation and Rating Private Limited (IVR) assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The rating was due for review in October 19 2024. IVR took up with issuer to provide required information vide multiple E-mail communications latest by November 18, 2024, and through various telephonic calls. Despite the best efforts of IVR to get the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the entity, IVR is unable to assess the entity's financial performance and its ability to service its debt and maintain a valid rating. Hence, on account of inadequate information, IVR is unable to assess the entity's financial performance and its ability to service its debt and maintain a valid rating. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.



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### **Non-cooperation by Issuer**

Availability of information is very critical in 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 rating for the bank loan facilities aggregating to Rs. 99.50 Crore of BGR Construction LLP have been downgraded and continued under 'ISSUER NOT COOPERATING' category by Infomerics and the rating for the long-term bank facilities be noted as IVR BB-/Negative: ISSUER NOT CO-OPERATING based on best available information.

**Analytical Approach:** For arriving at the ratings, IVR has analysed BGR's credit profile by considering the standalone financial statements of the company.

### **Applicable Criteria:**

[Rating methodology for Real estate Entities](#)

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

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

[Criteria of assigning rating outlook](#)

[Guidelines On What Constitute Non-Cooperation](#)

[Complexity level of rated instrument/ facilities](#)

### **About the Company**

BGR Construction LLP was incorporated in 2016 as Limited Liability Partnership. The firm is engaged in the business of construction, selling and leasing of warehouses. In 2016, the firm acquired 68 acres land in Bhiwandi, Maharashtra and constructed warehouse complex with seven "Grade A" warehouses, known as "BGR Logistic Park". BGR sold five out of seven warehouses to investors with LOIs and retain two warehouses in the company.

At present this complex is occupied by reputed companies including Amazon, Kuehne Nagel, DHL, Yusen, VIP industries, Best sellers and Parekh. The existing tenants of BGR are Amazon and Kuehne Nagel.

The partners of the firm are into the business of Logistic park facilities since 2008. They have constructed and sold approx. 70 Lacs sq. ft. of warehouses since then. Mr. Brijesh Kumar



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Khandelwal, Mr. Krishna Murari Murarka and Mr. Naveen Kumar Dangayach are the existing partners of the firm.

### Financials (Standalone):

(Rs. crore)

For the year ended*/As on	31-03-2019	31-03-2020
	<b>Audited</b>	<b>Audited</b>
Total Operating Income	37.34	24.78
EBITDA	6.90	14.96
PAT	4.71	4.03
Total Debt	101.18	132.22
Tangible Net worth	5.51	7.14
EBITDA Margin (%)	18.48%	60.39%
PAT Margin (%)	11.77%	15.26%
Overall Gearing Ratio (x)	18.37x	18.52x
Interest Coverage Ratio	2.71	1.41

\*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	Type of Instrument/Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24 (October 19, 2023)	Date(s) & Rating(s) assigned in 2022-23 (September 09, 2022)	Date(s) & Rating(s) assigned in 2021-22 (July 22, 2021)
1.	Long Term Bank Facilities – LRD	Long Term	99.50	IVR BB-/ Negative/ INC*	IVR BB/ Negative/ INC*	IVR BB+/ INC	IVR BBB /Stable

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

### Name and Contact Details of the Rating Analyst:

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### 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.

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

For more information visit [www.infomerics.com](http://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: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities - LRD	-	-	March 2036	99.50	IVR BB-/Negative/INC

### Annexure 2: Facility wise lender details.

<https://www.infomerics.com/admin/prfiles/Len-BGR-Construction-11dec24.pdf>

**Annexure 3: Detailed explanation of covenants of the rated securities/facilities:** Not Applicable.



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**Annexure 4: List of companies considered for consolidated/combined analysis:** 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 <http://www.infomerics.com>.