



Press Release

BGR Construction LLP

Sep 09th, 2022

Facilities	Amount (Rs. crore)	Ratings	Rating Action	Complexity
Long Term Bank Facilities – LRD	99.50	IVR BB+/INC(IVR Double B Plus /ISSUER NOT CO- OPERATING)	Downgraded and moved under ISSUER NOT CO- OPERATING category.	Simple
Total	99.50			

Ratings

Issuer did not cooperate; based on best available information

Detailed Rationale

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

Infomerics has been regularly following up with the company to provide the required data including Cash flow, bank statements and other data to monitor its assigned rating to the bank facilities, vide multiple E-mail communications latest by Sep 06th, 2022 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details. 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.

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 ratings for the bank loan facilities of BGR Construction LLP aggregating to Rs. 99.50 crore shall be moved in the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB+; Issuer Not Co-operating; Based on best available information.



Press Release

Analytical Approach & Applicable Criteria

Standalone

[Rating Methodology for Real Estate Company](#)

Financial Ratios & Interpretation – (Non-financial Sector)

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

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 acers 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.

Financials (Standalone):

	(Rs. crore)	
For the Year Ended/As on	31-03-2019	31-03-2020
	(Audited)	(Audited)
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)	18.37	18.52

*Classification as per Infomerics’ standards

Status of non-cooperation with previous CRA: NIL



Press Release

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 July 22 th , 2021	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20
1	Term Loan – LRD	Long Term	99.50	IVR BB+/INC(IVR Double B Plus /ISSUER NOT CO-OPERATING)	IVR BBB/Stable (IVR Triple B with stable outlook)	-	-

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.

Name and Contact Details of the Rating Analyst:

Name: Mr. Tarun Jain Tel: (011) 24601142 Email: Tarun.jain@infomerics.com	Name: Mr. Om Prakash Jain Tel: (011) 24601142 Email: opjain@infomerics.com
--	---

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



Press Release

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 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				99.50	IVR BB+/INC(IVR Double B Plus /ISSUER NOT CO- OPERATING)

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

Annexure 3: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Len-BGR-sep22.pdf>

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