

Press Release

SPG Multi Trade Private Limited

January 09, 2019



Rating Downgraded

Total Bank Facilities Rated*	Rs. 70.00 Cr. #
Long Term Rating	ACUITE BB Issuer not co-operating*
Short Term Rating	ACUITE A4+ Issuer not co-operating*

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Acuité has revised the long-term rating to „**ACUITE BB**“ (read as **ACUITE double B**) from „**ACUITE BBB-**“ (read as **ACUITE double B minus**) and short term rating to ‘**ACUITE A4+**’ (read as ‘**ACUITE A four plus**’) from ‘**ACUITE A3**’ (read as ‘**ACUITE A three**’) on the Rs. 70.00 crore bank facilities of SPG Multi Trade Private Limited (SMPL). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower:

Acuité has been requesting for financial data, management interaction and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

This rating is therefore being flagged as “Issuer not-cooperating”, in line with prevailing SEBI regulations and Acuité’s policies.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information can be a sign of a potential deterioration in credit quality.

SPG Multi Trade Private Limited (the erstwhile Shree Tirupati Real Estates Private Limited) established in 2006 was taken over by Ms. Shaily Prince Goyal, Director and Mr. Ajay Kumar Agrawal, Director and renamed to SPG Multi Trade Private Limited (SMPL). The company is engaged in the trading of multiple products including textile, coal, steel sheets, ingots, TMT bars, petroleum products and others.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-6.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

	Unit	FY17 (Provisional)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	639.87	520.54	458.61
EBITDA	Rs. Cr.	7.09	5.56	4.16
PAT	Rs. Cr.	2.73	2.25	1.67
EBITDA Margin (%)	(%)	1.11	1.07	0.91
PAT Margin (%)	(%)	0.43	0.43	0.36
ROCE (%)	(%)	21.60	21.75	19.56
Total Debt/Tangible Net Worth	Times	0.81	0.52	0.32
PBDIT/Interest	Times	2.12	2.53	2.94
Total Debt/PBDIT	Times	2.44	1.79	1.28
Gross Current Assets (Days)	Days	49	58	34

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
13-Oct-2017	Cash Credit	Long Term	20.00	ACUITE BBB- / Stable (Assigned)
	Letter of Credit	Short Term	50.00	ACUITE A3 (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE BB Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	50.00	ACUITE A4+ Issuer not co-operating*

*The issuer did not co-operate; Based on best available information.

Contacts

Analytical	Rating Desk
Aditya Gupta Head - Corporate and Infrastructure Sector Ratings Tel: 022-49294041 aditya.gupta@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in
Ayushi Rathore Analyst - Rating Operations Tel: 02249294055 ayushi.rathore@acuiteratings.in	

About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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