

Simplex Infrastructures Limited

November 28, 2022

Ratings

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	2,675.40	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	7,900.00	CARE D / CARE D; ISSUER NOT COOPERATING* (Single D / Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	10,575.40 (₹ Ten Thousand Five Hundred Seventy-Five Crore and Forty Lakhs Only)		
Non Convertible Debentures	170.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Non Convertible Debentures	200.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Non Convertible Debentures	75.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Non Convertible Debentures	50.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Long Term Instruments	495.00 (₹ Four Hundred Ninety-Five Crore Only)		

Details of instruments/facilities in Annexure-1.

Detailed rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated December 02, 2021, placed the rating(s) of Simplex Infrastructures Limited. (SIL) under the 'issuer non-cooperating' category as SIL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. SIL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 18, 2022, October 28, 2022 and November 07, 2022. In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

At the time of last rating on December 02, 2021 the following were the rating weaknesses (updated for the information available from stock exchange):

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Key Rating Weaknesses

Delay in servicing of debt obligations

There are on-going delays in debt servicing obligation of the company. The slowdown in recoveries from clients, delays in approvals of bills from government clients resulted in stretched liquidity position of the company, thus resulting in delays.

Analytical approach- Standalone

Applicable criteria

[Policy in respect of Non-cooperation by issuer](#)

[Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[Criteria for Short Term Instruments](#)

[Financial ratios – Non-Financial Sector](#)

[Liquidity Analysis of Non-Financial Sector Entities](#)

[Rating Methodology – Construction Sector](#)

[CARE's policy on Curing Period](#)

About the Company

SIL, incorporated in 1924, is one of the leading construction companies of the country, belonging to Mundhra family of Kolkata. The company is primarily engaged in EPC contracts, turnkey projects related to civil construction across various sectors. Over the decades, Simplex has completed large number of prestigious contracts and has received commendation certificates from many of its clients. The company also has overseas presence in countries like Saudi Arabia, Bangladesh, Bahrain, UAE, Qatar, Ethiopia and Sri Lanka.

Brief Financials (₹ crore)- Combined	March 31, 2021 (UA)	March 31, 2022 (UA)	H1FY23 (UA)
Total operating income	2,020.21	1,736.29	823.99
PBILDT	16.13	40.85	2.65
PAT	-460.97	-526.31	-272.04
Overall gearing (times)	3.53	6.86	NA
Interest coverage (times)	0.03	0.05	0.01

A: Audited, UA: Unaudited, NA: Not Available

Status of non-cooperation with previous CRA: Infomercis continues to place the rating of SIL under Issuer Not Cooperating category vide PR dated July 01, 2022.

Any other information: Not Applicable

Rating history for the last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Debentures-Non Convertible Debentures	INE059B07096, INE059B07104, INE059B07054, INE059B07062, INE059B07070, INE059B07088	2013-12-26	14.50%	28/07/21	200.00	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE059B07138, INE059B0714	2015-06-17	15.05%	17/06/20	75.00	CARE D; ISSUER NOT COOPERATING*

Debentures-Non Convertible Debentures	INE059B07120	2015-01-22	15.65%	22/01/20	50.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit	-	-	-	-	2600.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	-	March'23	75.40	CARE D; ISSUER NOT COOPERATING*
Non Convertible Debentures	INE059B07013 INE059B07021 INE059B07039 INE059B07047	29-Jun-2012	13%	12-Feb-2023	170.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - LT/ ST-BG/LC	-	-	-	-	7900.00	CARE D / CARE D; ISSUER NOT COOPERATING*

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Debentures-Non Convertible Debentures	LT	170.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (02-Dec-21)	1)CARE D (10-Dec-20)	1)CARE D (11-Dec-19) 2)CARE BB+; Negative (25-Nov-19) 3)CARE BBB; Negative (14-Aug-19) 4)CARE A-; Negative (10-Jun-19)
2	Fund-based - LT-Cash Credit	LT	2600.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (02-Dec-21)	1)CARE D (10-Dec-20)	1)CARE D (11-Dec-19) 2)CARE BB+; Negative

								(25-Nov-19) 3)CARE BBB; Negative (14-Aug-19) 4)CARE A-; Negative (10-Jun-19)
3	Commercial Paper-Commercial Paper (Carved out)	ST	-	-	-	-	-	1)Withdrawn (14-Aug-19)
4	Non-fund-based - LT/ ST-BG/LC	LT/ST *	7900.00	CARE D / CARE D; ISSUER NOT COOPERATING *	-	1)CARE D / CARE D; ISSUER NOT COOPERATING * (02-Dec-21)	1)CARE D / CARE D (10-Dec-20)	1)CARE D / CARE D (11-Dec-19) 2)CARE BB+; Negative / CARE A4+ (25-Nov-19) 3)CARE BBB; Negative / CARE A3+ (14-Aug-19) 4)CARE A-; Negative / CARE A2+ (10-Jun-19)
5	Debentures-Non Convertible Debentures	LT	200.00	CARE D; ISSUER NOT COOPERATING *	-	1)CARE D; ISSUER NOT COOPERATING * (02-Dec-21)	1)CARE D (10-Dec-20)	1)CARE D (11-Dec-19) 2)CARE BB+; Negative (25-Nov-19) 3)CARE BBB; Negative (14-Aug-19)

								4)CARE A-; Negative (10-Jun-19)
6	Debentures-Non Convertible Debentures	LT	75.00	CARE D; ISSUER NOT COOPERATING *	-	1)CARE D; ISSUER NOT COOPERATING * (02-Dec-21)	1)CARE D (10-Dec-20)	1)CARE D (11-Dec-19) 2)CARE BB+; Negative (25-Nov-19) 3)CARE BBB; Negative (14-Aug-19) 4)CARE A-; Negative (10-Jun-19)
7	Debentures-Non Convertible Debentures	LT	50.00	CARE D; ISSUER NOT COOPERATING *	-	1)CARE D; ISSUER NOT COOPERATING * (02-Dec-21)	1)CARE D (10-Dec-20)	1)CARE D (11-Dec-19) 2)CARE BB+; Negative (25-Nov-19) 3)CARE BBB; Negative (14-Aug-19) 4)CARE A-; Negative (10-Jun-19)
8	Term Loan-Long Term	LT	-	-	-	-	-	1)Withdrawn (14-Aug-19) 2)CARE A-; Negative (10-Jun-19)
9	Fund-based - LT-Term Loan	LT	75.40	CARE D; ISSUER NOT COOPERATING *	-	1)CARE D; ISSUER NOT COOPERATING * (02-Dec-21)	1)CARE D (10-Dec-20)	-

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities- Not Applicable

Annexure-4: Complexity level of various instruments rated for this company

Sr. No.	Name of Instrument	Complexity Level
1	Debentures-Non Convertible Debentures	Complex
2	Fund-based - LT-Cash Credit	Simple
3	Fund-based - LT-Term Loan	Simple
4	Non-fund-based - LT/ ST-BG/LC	Simple

Annexure-5: Bank lender details for this company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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