

RATING RATIONALE

20 Nov 2023

SPA Capital Advisors Limited

Brickwork Ratings reaffirms the rating for the Bank Loan Facilities of Rs. 26.00 Crores of SPA Capital Advisors Ltd. based on best available information, as the issuer did not cooperate.

Particulars:

Instruments / Facilities**	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (23 Sep 2022)	Recommended
Fund Based Loans	26.00	26.00	Long Term	BWR D /Reaffirmed /ISSUER NOT COOPERATING*	BWR D/ Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed
Total	26.00	26.00	Rupees Twenty Six Crore Only.		

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

**Details of Bank Loan facilities is provided in Annexure I

#Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

Brickwork Ratings (BWR) reaffirms ratings at BWR D/ Continues to be ISSUER NOT COOPERATING* for the Bank loan facilities of Rs.26.00 Crs. of SPA Capital Advisors Ltd. (“SCAL” or “the Company”), as tabulated above. The rating was downgraded to BWR D and migrated to the Issuer Not Cooperating* category on September 10, 2019 on account of the delays in repayment of dues to its lender. SEBI via order dated 24 August 2022, suspended the certificate of registration of SCAL due to non-fulfilment of criteria for registration as intermediary.

NATURE OF NON-COOPERATION:

The rating was due for review in September 2023. BWR took up with the issuer consistently to provide required information over emails apart from telephonic communications. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the entity, BWR is unable to assess the entity’s financial performance and its ability to service its debt.



LIMITATION OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account possible deterioration in the credit quality of the rated entity arising from its non-transparency withholding of information required for a review of the rating.

COMPANY PROFILE (As available with BWR)

SPA Capital Advisors Ltd (SPA) was incorporated on December 01, 1999 at New Delhi to carry on the business of financial intermediation. The Company was granted the Registration by SEBI as Category - I Merchant Banker on December 01, 2003 and permanent registration was granted to the Company w.e.f. December 01, 2012. The company has also received Portfolio Management Services (PMS) registration from SEBI w.e.f Feb 10, 2015, to undertake advisory services and portfolio management services for various clients in order to manage their funds in an effective and efficient manner.

KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED: NA

KEY FINANCIAL INDICATORS

Key Parameters	Units	FY21	FY22	FY23
Result Type		Unaudited	Unaudited	Unaudited
Operating Income	Rs. Crores	N.A.	N.A.	N.A.
EBITDA	Rs. Crores	N.A.	N.A.	N.A.
PAT	Rs. Crores	N.A.	N.A.	N.A.
Tangible Net Worth	Rs. Crores	N.A.	N.A.	N.A.
Total Debt	Rs. Crores	N.A.	N.A.	N.A.
Total Debt : Equity	Times	N.A.	N.A.	N.A.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: None



RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal & suspended]

Facilities	Current Rating (2023)			Rating History		
	Tenure	Amount (Rs. Cr)	Rating	2022	2021	2020
Fund Based	Long Term	26.00	BWR D/ Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	BWR D ISSUER NOT COOPERATING* (Reaffirmed)	BWR D ISSUER NOT COOPERATING* (Reaffirmed)	BWR D ISSUER NOT COOPERATING* (Reaffirmed)
Total		26.00	Rupees Twenty Six Crores Only			

COMPLEXITY LEVELS OF THE INSTRUMENTS - SIMPLE

For more information, visit

www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Banks & Financial Institutions](#)
- [Default Recognition and Default Curing Period](#)
- [What Constitutes Non-Cooperation](#)

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SPA Capital Advisors Limited

ANNEXURE I

Details of Bank Loan Facilities rated by BWR

Sl. No.	Name of Bank	Type of Facilities	Long Term (Rs.Crs.)	Short Term (Rs.Crs.)	Total (Rs.Crs.)
1	Lakshmi Vilas Bank (since merged with DBS Bank)	Cash Credit	26.00	NIL	26.00
Total Rupees Twenty Six Crores only.					

ANNEXURE II

INSTRUMENT (NCD/Bonds/CP/FDs) DETAILS : NA

ANNEXURE III

List of entities consolidated : NA

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