

## Press Release

### Shree Balaji Engicons Private Limited

December 17, 2019



### Rating Update

<b>Total Bank Facilities Rated*</b>	Rs. 250.00 Cr. #
<b>Long Term Rating</b>	ACUITE BB+ (Downgraded from ACUITE BBB+) Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A4+ (Downgraded from ACUITE A2) Issuer not co-operating*

# Refer Annexure for details

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

Acuité has downgraded the long-term rating of Shree Balaji Engicons Private Limited (SBPL) to '**ACUITE BB+**' (**read as ACUITE double B plus**) from '**ACUITE BBB+**' (**read as ACUITE triple B plus**) and short-term rating to '**ACUITE A4+**' (**read as ACUITE A four plus**) from '**ACUITE A2**' (**read as ACUITE A two**). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

SBPL, incorporated in 1998, is an Orissa-based company promoted by Mr. Agarwal and family. The company undertakes civil construction contracts for government and private entities.

#### Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information 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.

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

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

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.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

The rated entity has not shared the latest financial statements despite repeated requests.

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

Not Applicable

#### 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
27-Jun-2019	Cash Credit	Long Term	45.75	ACUITE BBB+ (Indicative)
	Standby Line of Credit	Short Term	2.00	ACUITE A2 (Indicative)
	Bank Guarantee	Short Term	125.00	ACUITE A2 (Indicative)
	Proposed Cash Credit	Long Term	15.00	ACUITE BBB+ (Indicative)
	Proposed Bank Guarantee	Short Term	62.25	ACUITE A2 (Indicative)
06-Apr-2018	Cash Credit	Long Term	45.75	ACUITE BBB+ (Indicative)
	Standby Line of Credit	Short Term	2.00	ACUITE A2 (Indicative)
	Bank Guarantee	Short Term	125.00	ACUITE A2 (Indicative)
	Proposed Cash Credit	Long Term	15.00	ACUITE BBB+ (Indicative)
	Proposed Bank Guarantee	Short Term	62.25	ACUITE A2 (Indicative)
18-Mar-2017	Cash Credit	Long Term	45.75	ACUITE BBB+ / Stable (Reaffirmed)
	Standby Line of Credit	Short Term	2.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee	Short Term	69.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee	Short Term	29.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee	Short Term	27.00	ACUITE A2 (Reaffirmed)
	Proposed Cash Credit	Long Term	15.00	ACUITE BBB+ / Stable (Reaffirmed)
	Proposed Bank Guarantee	Short Term	62.25	ACUITE A2 (Reaffirmed)

**#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	45.75	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Standby Line of Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	125.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	62.25	ACUITE A4+ (Downgraded from ACUITE A3) 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 <a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a>	Varsha Bist Manager - Rating Desk Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>
Rishabh Mundada Analyst - Rating Operations Tel: 022-49294033 <a href="mailto:rishabh.mundada@acuite.in">rishabh.mundada@acuite.in</a>	

## 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.

**Disclaimer:** An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.acuite.in](http://www.acuite.in)) for the latest information on any instrument rated by Acuité.