



Press Release

Essobigi Engineers Private Limited

October 08, 2020

Rating Update

Total Bank Facilities Rated*	Rs. 5.45 crore
Long Term Rating	ACUITE B+ (Downgrade; Issuer not co-operating)
Short Term Rating	ACUITE A4 (Downgrade; Issuer not co-operating)

* Refer Annexure for details

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and the short term rating to '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 5.45 crore bank facilities of Essobigi Engineers Private Limited (EEPL). The rating is downgraded on account of information risk.

New Delhi-based, Essobigi Engineers Private Limited (EEPL) was incorporated in 1987, by Mr. Anil Ahuja and Ms. Nishi Ahuja. The company is engaged in executing turnkey projects of fire protection and oil pipeline in the industrial sector for both government and private clients. The designing of projects are done by EEPL itself. EEPL has a reputed client base like Indian Oil Corporation Limited, Vardhman Spinning & General Mills Limited, to name a few.

Analytical Approach

Acuité has considered the standalone business and financial risk profile of EEPL to arrive at the rating.

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 the due date.

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

Applicable Criteria

- Entities in Infrastructure Sector– <https://www.acuite.in/view-rating-criteria-51.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.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 endeavored 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)

None

Any other information

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

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
July 22, 2019	Cash Credit	Long-Term	0.45	ACUITE BB-/ Stable (Upgraded)
	Bank Guarantee	Short-Term	5.00	ACUITE A4+ (Upgraded)
June 22, 2018	Cash Credit	Long-Term	0.45	ACUITE B+/ Stable (Assigned)
	Bank Guarantee	Short-Term	5.00	ACUITE A4 (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not applicable	Not applicable	Not applicable	0.45	ACUITE B+ (Downgraded; Issuer not-cooperating*)
Bank Guarantee	Not applicable	Not applicable	Not applicable	5.00	ACUITE A4 (Downgraded; Issuer not-cooperating*)

Contacts

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About Acuite Ratings & Research:

Acuite Ratings & Research 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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