

Press Release

Core Energy Systems Private Limited

July 19, 2022



Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	14.50	ACUITE BB Downgraded Issuer not co-operating*	-
Bank Loan Ratings	19.50	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	34.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded its long-term rating to '**ACUITE BB**' (read as **ACUITE double B**) from **ACUITE BB+** (read as **ACUITE double B plus**) and reaffirmed its short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.34.00 crore bank facilities of Core Energy Systems Private Limited (CESPL).

This rating is now an indicative rating and is based on the best information available.

About the Company

Core Energy Systems Private Limited (CESPL) was incorporated in the year 1997 as a partnership firm by Mr. Nagesh N. Basarkar, a petrochemical engineer by qualification, and later in 2004 the constitution was changed to private limited. CSPL is engaged in providing a range of high technology products, value added services as well as turnkey engineering solutions catering to sectors like, nuclear, oil & gas, and defense markets. The company is located in Dombivli, Thane and has an overseas office registered as Western CORE Ltd in UK.

Non-cooperation by the issuer/borrower

Acuite 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 Acuite's policies.

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). Acuite endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit

ratings based.

Rating Sensitivities

No information provided by the issuer / available for Acuite to comment upon

Material Covenants

None

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon

Outlook

Not Applicable

Key Financials

Particulars	Unit	FY 20 (Actual)	FY 19 (Actual)
Operating Income	Rs. Cr.	34.30	48.32
PAT	Rs. Cr.	1.39	0.93
PAT Margin	(%)	4.05	1.92
Total Debt/Tangible Net Worth	Times	0.97	1.07
PBDIT/Interest	Times	2.00	1.85

Status of non-cooperation with previous CRA

CRISIL, vide its press release dated May 24, 2022 had denoted the rating of CORE ENERGY SYSTEMS PRIVATE LIMITED as 'CRISIL B+/CRISIL A4; ISSUER NOT CO-OPERATING' on account of lack of adequate information required for monitoring the ratings.

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Real Estate Entities: <https://www.acuite.in/view-rating-criteria-63.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
04 May 2021	Bank Guarantee	Short Term	6.00	ACUITE A4+ (Reaffirmed)
	Bank Guarantee	Short Term	5.00	ACUITE A4+ (Reaffirmed)
	Bank Guarantee	Short Term	4.50	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	4.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Cash Credit	Long Term	6.50	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Cash Credit	Long Term	3.00	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
06 Feb 2020	Cash Credit	Long Term	3.00	ACUITE BB Stable (Upgraded from ACUITE BB- Stable)
	Cash Credit	Long Term	5.00	ACUITE BB Stable (Upgraded from ACUITE BB- Stable)
	Cash Credit	Long Term	6.50	ACUITE BB Stable (Upgraded from ACUITE BB- Stable)
	Letter of Credit	Short Term	4.00	ACUITE A4+ (Assigned)
	Bank Guarantee	Short Term	6.00	ACUITE A4+ (Upgraded from ACUITE A4)
	Bank Guarantee	Short Term	5.00	ACUITE A4+ (Upgraded from ACUITE A4)
	Bank Guarantee	Short Term	4.50	ACUITE A4+ (Upgraded from ACUITE A4)
10 Dec 2018	Cash Credit	Long Term	6.50	ACUITE BB- Stable (Assigned)
	Bank Guarantee	Short Term	6.00	ACUITE A4 (Assigned)
	Cash Credit	Long Term	4.50	ACUITE BB- Stable (Assigned)
	Cash Credit	Long Term	3.00	ACUITE BB- Stable (Assigned)
	Bank Guarantee	Short Term	5.00	ACUITE A4 (Assigned)
	Bank Guarantee	Short Term	5.00	ACUITE A4 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Indian Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	4.50	ACUITE A4+ Reaffirmed Issuer not co-operating*
Bank of Maharashtra	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Bank of Baroda	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Indian Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB Downgraded Issuer not co-operating*
Bank of Maharashtra	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.50	ACUITE BB Downgraded Issuer not co-operating*
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE BB Downgraded Issuer not co-operating*
Bank of Baroda	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE A4+ Reaffirmed Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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