

Press Release

Essel Finance Business Loans Limited

October 03, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	450.00	ACUITE D Reaffirmed Issuer not co-operating*	-
Non Convertible Debentures (NCD)	50.00	ACUITE D Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	500.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE D**' (read as **ACUITE D**) on the Rs. 450.00 crore bank facilities of Essel Finance Business Loans Limited. The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

Further, Acuite has reaffirmed the long-term rating of '**ACUITE D**' (read as **ACUITE D**) on the Rs. 25.00 crore Non-Convertible Debentures and Rs. 25.00 crore Subordinated Non-Convertible Debentures of Essel Finance Business Loans Limited. The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

About the Company

Essel Finance Business Loans Limited (EFL) is a Maharashtra based Public Limited Company, engaged in extending Secured Loans (Loan Against property), Equipment financing, SME Loans, and Loans to NBFC/MFIs. EFL was formerly known as Blue Blend Equity Limited (BBEL), an RBI registered NBFC since 1998. BBEL was completely acquired by Essel group in 2015 and renamed as EFL. Dakshin Mercantile Private Limited (DMPL) and Essel Finance Management LLP held 81.65 percent and 18.35 percent equity shares of EFL as on March 31, 2019. DMPL is wholly owned by the promoter family of the Essel group (Mrs. Sushila Devi Goel, wife of Dr. Subhash Chandra).

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.

Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with an 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 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). Acuité has 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.

Rating Sensitivity

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

Status of non-cooperation with previous CRA

None

Any other information

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

Applicable Criteria

- Non-Banking Financing Entities: <https://www.acuite.in/view-rating-criteria-44.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.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
11 Oct 2021	Non Convertible Debentures	Long Term	25.00	ACUITE D (Issuer not co-operating*)
	Non Convertible Debentures	Long Term	25.00	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	35.00	ACUITE D (Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	20.00	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	20.00	ACUITE D (Issuer not co-operating*)
	Secured Overdraft	Long Term	5.00	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	15.00	ACUITE D (Issuer not co-operating*)

	Cash Credit	Long Term	8.50	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	10.00	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	7.00	ACUITE D (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	319.50	ACUITE D (Issuer not co-operating*)
08 Oct 2020	Non Convertible Debentures	Long Term	25.00	ACUITE D (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	20.00	ACUITE D (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	15.00	ACUITE D (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	7.00	ACUITE D (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	35.00	ACUITE D (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	319.50	ACUITE D (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE D (Downgraded and Issuer not co-operating*)
	Non Convertible Debentures	Long Term	25.00	ACUITE D (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	10.00	ACUITE D (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	8.50	ACUITE D (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	20.00	ACUITE D (Downgraded and Issuer not co-operating*)
	Secured Overdraft	Long Term	5.00	ACUITE D (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE C (Downgraded from ACUITE BBB- Negative)
	Term Loan	Long Term	35.00	ACUITE C (Downgraded from ACUITE BBB- Negative)
	Non Convertible Debentures	Long Term	25.00	ACUITE C (Downgraded from ACUITE BBB- Negative)
06 Nov 2019	Term Loan	Long Term	10.00	ACUITE C (Downgraded from ACUITE BBB- Negative)
	Term Loan	Long Term	20.00	ACUITE C (Downgraded from ACUITE BBB- Negative)
	Term Loan	Long Term	20.00	ACUITE C (Downgraded from ACUITE BBB- Negative)
	Proposed Bank Facility	Long Term	319.50	ACUITE C (Downgraded from ACUITE BBB- Negative)
	Secured Overdraft	Long Term	5.00	ACUITE C (Downgraded from ACUITE BBB- Negative)
	Non Convertible Debentures	Long Term	25.00	ACUITE C (Downgraded from ACUITE BBB- Negative)
	Term Loan	Long Term	7.00	ACUITE C (Downgraded from ACUITE BBB- Negative)
	Term Loan	Long Term	15.00	ACUITE C (Downgraded from ACUITE BBB- Negative)
	Cash Credit	Long Term	8.50	ACUITE C (Downgraded from ACUITE BBB- Negative)

26 Apr 2019	Term Loan	Long Term	7.00	ACUITE BBB- Negative (Assigned)
	Cash Credit	Long Term	10.00	ACUITE BBB- Negative (Assigned)
	Non Convertible Debentures	Long Term	25.00	ACUITE BBB- Negative (Reaffirmed)
	Cash Credit	Long Term	8.50	ACUITE BBB- Negative (Reaffirmed)
	Term Loan	Long Term	20.00	ACUITE BBB- Negative (Reaffirmed)
	Term Loan	Long Term	15.00	ACUITE BBB- (Withdrawn)
	Term Loan	Long Term	10.00	ACUITE BBB- Negative (Reaffirmed)
	Term Loan	Long Term	20.00	ACUITE BBB- Negative (Assigned)
	Term Loan	Long Term	35.00	ACUITE BBB- Negative (Assigned)
	Proposed Bank Facility	Long Term	319.50	ACUITE BBB- Negative (Reaffirmed)
	Term Loan	Long Term	15.00	ACUITE BBB- Negative (Assigned)
	Secured Overdraft	Long Term	5.00	ACUITE BBB- Negative (Reaffirmed)
	Non Convertible Debentures	Long Term	25.00	ACUITE BBB- Negative (Reaffirmed)
17 Apr 2019	Secured Overdraft	Long Term	5.00	ACUITE BBB- Negative (Assigned)
	Proposed Bank Facility	Long Term	391.50	ACUITE BBB- Negative (Assigned)
	Non Convertible Debentures	Long Term	25.00	ACUITE BBB- Negative (Assigned)
	Term Loan	Long Term	10.00	ACUITE BBB- Negative (Assigned)
	Term Loan	Long Term	20.00	ACUITE BBB- Negative (Assigned)
	Non Convertible Debentures	Long Term	25.00	ACUITE BBB- Negative (Assigned)
	Cash Credit	Long Term	8.50	ACUITE BBB- Negative (Assigned)
	Term Loan	Long Term	15.00	ACUITE BBB- Negative (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
RBL Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	8.50	ACUITE D Reaffirmed Issuer not co- operating*
A U Small Finance Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE D Reaffirmed Issuer not co- operating*
Not Applicable	Not Applicable	Non-Convertible Debentures (NCD)	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE D Reaffirmed Issuer not co- operating*
Not Applicable	Not Applicable	Non-Convertible Debentures (NCD)	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE D Reaffirmed Issuer not co- operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	319.50	ACUITE D Reaffirmed Issuer not co- operating*
Catholic Syrian Bank	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE D Reaffirmed Issuer not co- operating*
Catholic Syrian Bank	Not Applicable	Term Loan	Not available	Not available	Not available	10.00	ACUITE D Reaffirmed Issuer not co- operating*
Equitas Small Finance Bank Ltd.	Not Applicable	Term Loan	Not available	Not available	Not available	20.00	ACUITE D Reaffirmed Issuer not co- operating*
IDFC First Bank Limited	Not Applicable	Term Loan	Not available	Not available	Not available	15.00	ACUITE D Reaffirmed Issuer not co-

							operating*
IDFC First Bank Limited	Not Applicable	Term Loan	Not available	Not available	Not available	35.00	ACUITE D Reaffirmed Issuer not co- operating*
IDFC First Bank Limited	Not Applicable	Term Loan	Not available	Not available	Not available	7.00	ACUITE D Reaffirmed Issuer not co- operating*
A U Small Finance Bank	Not Applicable	Term Loan	Not available	Not available	Not available	20.00	ACUITE D 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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