

## Press Release

ESDS Software Solutions Private Limited

July 12, 2022



### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	25.75	-	ACUITE A4+   Downgraded   Issuer not co-operating*
Bank Loan Ratings	56.25	ACUITE BB+   Downgraded   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	82.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

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

### Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as ACUITE double B plus) from 'ACUITE A-' (read as ACUITE A minus) on the Rs.56.25 Cr. long term bank facilities and short-term rating to 'ACUITE A4+' (read as ACUITE A four plus) from ACUITE A1 (read as ACUITE A one) on the short-term bank facilities of ESDS SOFTWARE SOLUTION PRIVATE LIMITED (ESDS). The rating is flagged as 'Issuer not cooperating' and is downgraded on account of information risk.

### About the Company

Nashik-based, ESDS Software Solution Private limited (ESDS) was incorporated in 2005 by Mr. Piyush Somani. The company is engaged in the business of providing IT services and software solutions such as web hosting services, data centre services, website development, and software development, among others. Company has its fully integrated data centres located in Nashik, Mumbai, and Bangalore.

### 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 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 endeavored 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 is based.

### Rating Sensitivities

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

### Material Covenants

Not Applicable

### Liquidity Position

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

### Outlook

Not Applicable

### Key Financials:

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

### Status of non-cooperation with previous CRA

CRISIL wide its press release dated March 22, has continued to report the rating under Issuer not co-operating category

### Any other information

Not Applicable

### 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>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
16 Dec 2020	Bank Guarantee	Short Term	13.75	ACUITE A1 (Assigned)
	Cash Credit	Long Term	10.00	ACUITE A-   Stable (Assigned)
	Term Loan	Long Term	2.40	ACUITE A-   Stable (Assigned)
	Term Loan	Long Term	9.77	ACUITE A-   Stable (Assigned)
	Term Loan	Long Term	7.64	ACUITE A-   Stable (Assigned)
	Proposed Cash Credit	Long Term	15.26	ACUITE A-   Stable (Assigned)
	Bank Guarantee	Short Term	12.00	ACUITE A1 (Assigned)
	Cash Credit	Long Term	10.00	ACUITE A-   Stable (Assigned)
	Term Loan	Long Term	1.18	ACUITE A-   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	13.75	ACUITE A4+   Downgraded   Issuer not co-operating* ( from ACUITE A2 )
Axis Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE A4+   Downgraded   Issuer not co-operating* ( from ACUITE A2 )
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE BB+   Downgraded   Issuer not co-operating* ( from ACUITE A- )
Axis Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB+   Downgraded   Issuer not co-operating* ( from ACUITE A- )
Axis Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB+   Downgraded   Issuer not co-operating* ( from ACUITE A- )
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	15.26	ACUITE BB+   Downgraded   Issuer not co-operating* ( from ACUITE A- )
Axis Bank	Not Applicable	Term Loan	Not available	Not available	30-04-2024	7.64	ACUITE BB+   Downgraded   Issuer not co-operating* ( from ACUITE A- )
Axis Bank	Not Applicable	Term Loan	Not available	Not available	31-05-2021	1.18	ACUITE BB+   Downgraded   Issuer not co-operating* ( from ACUITE A- )
State Bank of India	Not Applicable	Term Loan	Not available	Not available	01-01-2019	9.77	ACUITE BB+   Downgraded   Issuer not co-operating* ( from ACUITE

							A- )
State Bank of India	Not Applicable	Term Loan	Not available	Not available	01-05-2020	2.40	ACUITE BB+   Downgraded   Issuer not co-operating* ( from ACUITE A- )

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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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