

Press Release

IGP Engineers Private Limited

August 03, 2020

Rating Update



Total Bank Facilities Rated#	Rs.37.00 Cr.
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Short Term Rating	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and the short-term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3**' (read as **ACUITE A three**) on the Rs.37.00 crore bank facilities of IGP Engineers Private Limited (IEPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

IEPL established in 1954 is engaged in the manufacture of metallic and non-metallic gaskets at Chennai and Chengalpattu. The day-to-day operations are led by promoters, Mr. V. Lakshmanan, Mr. V. Balasubramanian, Mr. K. Shyamsundar and others.

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.

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

Applicable Criteria

- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.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)

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.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
09-Dec-19	Cash Credit	Long Term	5.00	ACUITE BBB- (Downgraded from Acuite A; Indicative)
	Packing Credit	Short Term	5.00	ACUITE A3 (Downgraded from ACUITE A1; Indicative)
	Bills Discounting	Short Term	7.00	ACUITE A3 (Downgraded from ACUITE A1; Indicative)
	Bank Guarantee	Short Term	4.00	ACUITE A3 (Downgraded from ACUITE A1; Indicative)
	Letter of Credit	Short Term	16.00	ACUITE A3 (Downgraded from ACUITE A1; Indicative)
19-Mar-19	Cash Credit	Long Term	5.00	ACUITE A (Indicative)
	Packing Credit	Short Term	5.00	ACUITE A1 (Indicative)
	Bills Discounting	Short Term	7.00	ACUITE A1 (Indicative)
	Bank Guarantee	Short Term	4.00	ACUITE A1 (Indicative)
	Letter of Credit	Short Term	16.00	ACUITE A1 (Indicative)
16-Jan-18	Cash Credit	Long Term	5.00	ACUITE A+/ Stable (Reaffirmed)
	Packing Credit	Short Term	5.00	ACUITE A1 (Reaffirmed)
	Bills Discounting	Short Term	7.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee	Short Term	4.00	ACUITE A1 (Reaffirmed)
	Letter of Credit	Short Term	16.00	ACUITE A1 (Reaffirmed)

Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Packing Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
Bills Discounting	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	16.00	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
<p>Aditya Gupta VP- Corporate and Infrastructure Sector Tel: 022-49294041 aditya.gupta@acuite.in</p> <p>Nitul Dutta Analyst - Rating Operations Tel: 022-49294053 nitul.dutta@acuite.in</p>	<p>Varsha Bist Senior Manager - Rating Desk Tel: 022-49294022 rating.desk@acuite.in</p>

About Acuité Ratings & Research:

Acuité 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.

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) for the latest information on any instrument rated by Acuité.