

## Expat Engineering India Limited

April 12, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	11.00	CARE C; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B-; Stable;
Short Term Bank Facilities	13.50	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

\*Issuer did not cooperate; based on best available information.

### Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated February 28, 2023, placed the rating(s) of Expat Engineering India Limited (EEIL) under the 'issuer non-cooperating' category as EEIL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. EEIL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 14, 2024, January 24, 2024, February 03, 2024.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

The ratings for EEIL have been revised on account of non-availability of requisite information. Further, the rating revision also considers the corporate insolvency resolution process initiated against EEIL by its operational creditor as recognized from publicly available information i.e. NCLT order.

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers:

Please refer to PR dated [February 28, 2023](#)

### Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

### About the company

Expat Engineering India Limited (EEIL) was originally a division of Expat Properties India Limited, established in 1999 and part of the Expat Group. Later in 2007, this division demerged into a separate entity, EEIL. This restructuring was done to expand the operations for construction of residential buildings other than the group projects. EEIL, promoted by Mr. Santosh Balakrishna Shetty and several others, is engaged in executing contracts for land & infrastructure development and construction of residential & commercial buildings for projects belonging to the Expat group as well as others.

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

Brief Financials (₹ crore)	March 31, 2020 (A)	March 31, 2021 (A)
Total operating income	43.33	26.77
PBILDT	2.68	0.99
PAT	0.65	-1.77
Overall gearing (times)	1.27	1.47
Interest coverage (times)	1.82	0.50

A: Audited; Note: 'the above results are latest financial results available'

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating history for last three years:** Please refer Annexure-2

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated:** Annexure-4

**Lender details:** Annexure-5

#### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	11.00	CARE C; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	13.50	CARE A4; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

**Annexure-2: Rating history for the last three years**

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Cash Credit	LT	11.00	CARE C; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (28-Feb-23)  2)CARE B; Stable (05-Apr-22)	-
2	Non-fund-based - ST-Bank Guarantee	ST	13.50	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (28-Feb-23)  2)CARE A4 (05-Apr-22)	-

\*Issuer did not cooperate; Based on best available information; LT: Long term; ST: Short term

**Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities:** Not Applicable**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-Bank Guarantee	Simple

**Annexure-5: Lender details**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instrument:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

## Contact us

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**About us:**

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