

Press Release

Emco Dynatorq Private Limited

December 24, 2019

Rating Update



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|-------------------------------------|---|
| Total Bank Facilities Rated* | Rs.5.34 Cr. # |
| Long Term Rating | ACUITE BB (Downgraded from ACUITE BBB-) Issuer not co-operating* |

Refer Annexure for details

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

Acuite has downgraded the long-term rating to '**ACUITE BB**' (read as **ACUITE double B**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) to the Rs.5.34 crore bank facilities of EMCO DYNATORQ PRIVATE LIMITED. This rating is now an indicative rating and is based on best available information.

Emco Dynatorq Private Limited (EDPL), incorporated in 1991 is a Mumbai-based company engaged in the manufacturing of industrial brakes, clutches and other components. The company, promoted by Mr. Dhiren C. Gandhi, Mr. Chandrakant Gandhi and Mr. Sandip Gandhi, has four manufacturing units, two at Vasai near Mumbai and two at Baroda, Gujarat with manufacturing capacity of 60,000 units per annum.

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.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with 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>
- Entities in Manufacturing sector- <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). 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 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

Acuite 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 |
|------|---------------------------------|------|------------------|-----------------|
|------|---------------------------------|------|------------------|-----------------|

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|--------------|-------------------------|-----------|------|-------------------------------------|
| 22-Oct-2019 | Cash Credit | Long Term | 3.50 | ACUITE BBB-Issuer not co-operating* |
| | Term Loan | Long Term | 1.83 | ACUITE BBB-Issuer not co-operating* |
| | Proposed Long Term Loan | Long Term | 0.01 | ACUITE BBB-Issuer not co-operating* |
| 30-July-2018 | Cash Credit | Long Term | 3.50 | ACUITE BBB-Issuer not co-operating* |
| | Term Loan | Long Term | 1.83 | ACUITE BBB-Issuer not co-operating* |
| | Proposed Long Term Loan | Long Term | 0.01 | ACUITE BBB-Issuer not co-operating* |
| 09-June-2017 | Cash Credit | Long Term | 3.50 | ACUITE BBB-/Stable (Assigned) |
| | Term Loan | Long Term | 1.83 | ACUITE BBB-/Stable (Assigned) |
| | Proposed Long Term Loan | Long Term | 0.01 | ACUITE BBB-/Stable (Assigned) |

#Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings |
|-------------------------|------------------|----------------|----------------|-----------------------------|------------------------------------|
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 3.50 | ACUITE BB Issuer not co-operating* |
| Term Loan | Not Applicable | Not Applicable | Not Applicable | 1.83 | ACUITE BB Issuer not co-operating* |
| Proposed Long Term Loan | Not Applicable | Not Applicable | Not Applicable | 0.01 | ACUITE BB Issuer not co-operating* |

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

Contacts

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|--|---|
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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings 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.

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