

Press Release

Acme Forgings

October 19, 2020



Rating Update

Total Bank Facilities Rated*	Rs. 12.00 Cr #
Long Term Rating	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Short Term Rating	ACUITE A4+ Issuer not co-operating*

#Refer Annexure for details

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

Acuité has downgraded the long term rating to '**ACUITE BB-**' (read as ACUITE Double B minus) from '**ACUITE BB**' (read as ACUITE BB) and the short term rating of '**ACUITE A4+**' (read as ACUITE A Four plus) on the Rs.12.00 crore bank facilities of Acme Forgings. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Acme Forgings (AF) was established by Late Mr. Jatinder Mohan in 1979. Initially, the firm started with manufacturing of hand-tools. Later in 2000, AF started manufacturing high-quality durable and cost-effective scaffolding fittings and ancillary equipment. The firm's product range includes industrial couplers, swivel couplers, pressed steel, timber beam coupler, scaffolding clamp, to name a few. The firm has two units located in Punjab with an installed capacity of 1300 MTPM. The firm exports 90 percent of its production to countries like England, Netherlands, Poland, Germany, Australia and the Middle East and the balance production is distributed in the domestic market.

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.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

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 endeavored 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 (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
29 July, 2019	Cash Credit	Long Term	1.60	ACUITE BB Issuer not co-operating*
	Term Loans	Long Term	0.40	ACUITE BB Issuer not co-operating*
	PC/PCFC	Short Term	4.40	ACUITE A4+ Issuer not co-operating*
	Bill Discounting	Short Term	2.00	ACUITE A4+ Issuer not co-operating*
	Letter of credit	Short Term	0.50	ACUITE A4+ Issuer not co-operating*
	Proposed Bank Facility	Long Term	3.10	ACUITE BB Issuer not co-operating*
01 June, 2018	Cash Credit	Long Term	1.60	ACUITE BB/Stable (Assigned)
	Term Loans	Long Term	0.40	ACUITE BB/Stable (Assigned)
	PC/PCFC	Short Term	4.40	ACUITE A4+ (Assigned)
	Bill Discounting	Short Term	2.00	ACUITE A4+ (Assigned)
	Letter of credit	Short Term	0.50	ACUITE A4+ (Assigned)
	Proposed Bank Facility	Long Term	3.10	ACUITE BB/Stable (Assigned)

#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	1.60	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Term Loans	Not Available	Not Applicable	Not Available	0.40	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
PC/PCFC	Not Applicable	Not Applicable	Not Applicable	4.40	ACUITE A4+ Issuer not co-operating*
Bill Discounting	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE A4+ Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	3.10	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Head- Corporate and Infrastructure Sector Tel: 022-49294041 aditya.gupta@acuite.in	Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in
Kumar Abhisek Analyst - Rating Operations Tel: 011-49731305 Kumar.abhisek@acuite.in	

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.

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