

Press Release

EMT Megatherm Private Limited

March 02, 2020



Rating Update

Total Bank Facilities Rated*	Rs. 61.76 Cr. #
Long Term Rating	ACUITE BB+ Issuer not co-operating* (Downgraded from ACUITE BBB-/Stable)
Short Term Rating	ACUITE A4+ Issuer not co-operating* (Downgraded from ACUITE A3)

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 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. 61.76 crore bank facilities of EMT Megatherm Private Limited (EMT). The rating downgrade is on account of information risk. This rating is now an indicative rating and is based on best available information.

EMT was incorporated in 1998 as Engel Machine Tools Private Limited by the Government of West Bengal (GoWB) and later in 2005 taken over by the Kolkata based Chanda family through Megatherm Electronics Private Limited (MEPL). Since takeover, the operations from MEPL gradually shifted to EMT. Currently, EMT is engaged in manufacturing of ladle refining furnace and continuous steel casting machines, transformer for steel and metal/ power industry and execution of EPC contracts for steel, foundry & forging and transformer sector. The operations are managed by Mr Shesadri Bhusan Chanda and Mr. Satadri Chanda.

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 due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.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
04-Mar-2019	Cash Credit	Long Term	35.00	ACUITE BBB- / Stable (Assigned)
	Term Loan	Long Term	0.76	ACUITE BBB- / Stable (Assigned)
	Letter of Credit	Short Term	21.00	ACUITE A3 (Assigned)
	Bank Guarantee	Short Term	5.00	ACUITE A3 (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	35.00	ACUITE BB+ (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.76	ACUITE BB+ (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	21.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*

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

Contacts

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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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