

Press Release

Fortuna Engineering Private Limited

August 18, 2021



Rating Update

Total Bank Facilities Rated*	Rs. 50.00 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**) from '**ACUITE BB+**' (**read as ACUITE double B plus**) and reviewed the short-term rating of '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs. 50.00 crore bank facilities of Fortuna Engineering Private Limited (FEPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Maharashtra-based, FEPL was incorporated in 1993 by Mr. R. Suriyanarayanan. FEPL is engaged in machining and assembling of precision auto components such as connecting rods and camshafts for leading OEM's in India. FEPL has its manufacturing unit located in Nashik, Maharashtra.

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 unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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.

Liquidity Indicators - "No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity - "No information provided by the issuer / available for Acuite to comment upon."

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
30-May-2020	Cash Credit I	Long Term	1.50#	ACUITE BB+ (Downgraded to ACUITE BBB+) Issuer not co-operating*
	Cash Credit II	Long Term	1.50	ACUITE BB+ (Downgraded to ACUITE BBB+) Issuer not co-operating*
	Term Loan I	Long Term	9.31	ACUITE BB+ (Downgraded to ACUITE BBB+) Issuer not co-operating*
	Term Loan II	Long Term	8.32	ACUITE BB+ (Downgraded to ACUITE BBB+) Issuer not co-operating*
	Term Loan III	Long Term	4.19	ACUITE BB+ (Downgraded to ACUITE BBB+) Issuer not co-operating*
	Term Loan IV	Long Term	8.30	ACUITE BB+ (Downgraded to ACUITE BBB+) Issuer not co-operating*
	Bank Guarantee	Short Term	0.10	ACUITE A4+ (Downgraded to ACUITE A2+) Issuer not co-operating*
	Proposed Bank Facility	Long Term	16.78	ACUITE BB+ (Downgraded to ACUITE BBB+) Issuer not co-operating*
18-Mar-2019	Cash Credit I	Long Term	1.50#	ACUITE BBB+/ Stable (Assigned)
	Cash Credit II	Long Term	1.50	ACUITE BBB+/ Stable (Assigned)
	Term Loan I	Long Term	9.31	ACUITE BBB+/ Stable (Assigned)
	Term Loan II	Long Term	8.32	ACUITE BBB+/ Stable (Assigned)
	Term Loan III	Long Term	4.19	ACUITE BBB+/ Stable (Assigned)
	Term Loan IV	Long Term	8.30	ACUITE BBB+/ Stable (Assigned)
	Bank Guarantee	Short Term	0.10	ACUITE A2+ (Assigned)
	Proposed Bank Facility	Long Term	16.78	ACUITE BBB+/ Stable (Assigned)

#Annexure – Details of instruments rated

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Citi Bank	Cash Credit I	Not Applicable	Not Applicable	Not Applicable	1.50#	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*

HDFC Bank	Cash Credit II	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Citi Bank	Term Loan I	Not Available	Not Available	Not Available	9.31	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
HDFC Bank	Term Loan II	Not Available	Not Available	Not Available	8.32	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Kotak Bank	Term Loan III	Not Available	Not Available	Not Available	4.19	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Bajaj Finserv	Term Loan IV	Not Available	Not Available	Not Available	8.30	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
HDFC Bank	Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.10	ACUITE A4+ Issuer not co-operating*
Not Applicable	Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	16.78	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*

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

#Sublimit - LC of Rs.1.00 crore of CC, BG of Rs.0.50 crore of CC, WCDL of Rs.1.00 crore of CC and Post Shipment Facility of Rs.0.10 crore.

Contacts

Analytical	Rating Desk
<p>Pooja Ghosh Head - Corporate and Infrastructure Sector Ratings Tel: 033-6620-1203 pooja.ghosh@acuite.in</p> <p>Tony Banerjee Analyst – Rating Operations Tel: 033-66201206 tonoy.banerjee@acuite.in</p>	<p>Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 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.

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