

Press Release

Enginemates Heat Transfer Private Limited

July 27, 2022



Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	11.00	ACUITE BB Downgraded Issuer not co-operating*	-
Bank Loan Ratings	24.00	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	35.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

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

Rating Rationale

Acuite has downgraded the long-term rating of 'ACUITE BB+' (read as ACUITE double B plus) to 'ACUITE BB' (read as ACUITE double B) on the Rs.11.00 Cr. long term bank facilities of Enginemates Heat Transfer Private Limited (EHTPL).

Further, Acuite has reaffirmed the short-term rating of 'ACUITE A4+' (read as ACUITE A four plus) on the Rs. 24.00 Cr. short term bank facilities of Enginemates Heat Transfer Private Limited (EHTPL).

The rating is flagged as "Issuer not cooperating" and is downgraded on account of information risk.

About the Company

Incorporated in 1983, EHTPL is a Mumbai based company founded by Mr. K.A. Menon. It is currently managed by Mr. Mahesh Menon and Mr. Manoj Menon along with other family members. EHTPL is engaged in manufacturing of heat exchangers namely air cooled coolers and radiators for the oil and gas industry, construction and engineering industry and diesel generator sets and has three manufacturing facilities, two in Mumbai and one in Dharwad, Karnataka.

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 noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer not cooperating", in line with prevailing SEBI regulations and Acuite's policies.

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 ratings is based.

Rating Sensitivities

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

Material Covenants

NA

Liquidity Position

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

Outlook

Not Applicable

Key Financials:

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA

Not Applicable

Any other information

Not Applicable

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
07 May 2021	Cash Credit	Long Term	6.00	ACUITE BB+ Stable (Assigned)
	Term Loan	Long Term	1.50	ACUITE BB+ Stable (Assigned)
	Working Capital Demand Loan	Long Term	3.50	ACUITE BB+ Stable (Assigned)
	Bank Guarantee	Short Term	20.00	ACUITE A4+ (Assigned)
	Letter of Credit	Short Term	4.00	ACUITE A4+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Canara Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)
Canara Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Canara Bank	Not Applicable	Term Loan	09-11-2020	13.65	22-10-2024	1.50	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)
CITI Bank	Not Applicable	Working Capital Demand Loan (WCDL)	Not available	Not available	Not available	3.50	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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