

September 12, 2023

ECE Industries Limited: Ratings Withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long term fund-based - Working capital facilities	35.00	35.00	[ICRA]BBB(Stable); rating withdrawn
Short term non-fund based - Working capital facilities	175.00	175.00	[ICRA]A2; rating withdrawn
Total	210.00	210.00	

*Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the rating assigned to the bank facilities of **ECE Industries Limited**, at the request of the company and based on the No Objection Certificate received from the bankers, and in accordance with ICRA's policy on withdrawal. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

The Key Rating Drivers, Liquidity Position, Rating Sensitivities, Key Financial Indicator have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click Here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	ICRA Policy on Withdrawal of Credit Ratings Corporate Credit Rating Methodology
Parent/Group support	Not Applicable
Consolidation/Standalone	The ratings are based on the company's standalone financial profile

About the company

ECE, incorporated in 1945 as part of B.K. Birla Group of Industries is currently managed by Mr. Prakash Kumar Mohta, son-in-law of Mr. B.K. Birla. The company manufactures a wide range of transformers up to 160 MVA/220-KV class catering to state utilities and industrial consumers. It also manufactures passenger and goods elevators for residential and commercial use. ECE currently has three manufacturing units at Sonepat, Hyderabad (both for transformers and other power equipment) and Ghaziabad (for elevators).

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2024)			Chronology of Rating History for the past 3 years				
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022		Date & Rating in FY2021
					Sep 12, 2023	Jan 13, 2023	Oct 18, 2021	Apr 26, 2021	-
1	Fund based- Working capital facilities	Long Term	35.00	-	[ICRA]BBB (Stable); withdrawn	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	-
2	Non-fund based - Working capital facilities	Short Term	175.00	-	[ICRA]A2; withdrawn	[ICRA]A2	[ICRA]A2	[ICRA]A2	-
3	Unallocated Limits	Long Term/ Short Term	-	-	-	-	[ICRA]BBB (Stable)/ [ICRA]A2	-	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Fund based - Working capital facilities	Simple
Non-fund based - Working capital facilities	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Long term- Fund based- Working capital facilities	-	-	-	35.00	[ICRA]BBB (Stable); Withdrawn
NA	Short term- non-fund based - Working capital facilities	-	-	-	175.00	[ICRA]A2; Withdrawn

Source: ECE Industries Limited

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis – Not Applicable

ANALYST CONTACTS

Sabyasachi Majumdar
+91-124-4545304
sabyasachi@icraindia.com

Anupama Arora
+91-124-4545303
anupama@icraindia.com

Girishkumar Kadam
+91 22 6114 3441
girishkumar@icraindia.com

Tanya Agarwal
+91-124-4545844
tanya.agarwal@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



© Copyright, 2023 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.