

Press Release

The Canara Workshops Limited

August 24, 2021

Rating Update



Total Bank Facilities Rated	Rs.10.35 Cr.#
Long Term Rating	ACUITE B 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 reviewed the long-term rating of '**ACUITE B**' (read as **ACUITE B**) and the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.10.35 crore bank facilities of The Canara Workshops Limited (TCWL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

TCWL, incorporated in 1943, is a Mangalore-based company promoted by the late Mr. Vaman Srinivas Kudva. The company manufactures leaf springs and related components used in commercial and passenger vehicles. The facility is equipped with rolling mill with capacity of 7,000 TPA and machining capacity of 7,200 TPA.

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 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/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
12th Jun 20	Dropline Overdraft	Long term	7.50	ACUITE B Issuer not co-operating*
	Letter of Credit	Short Term	2.10*	ACUITE A4 Issuer not co-operating*
	Proposed Overdraft	Long term	0.75	ACUITE B Issuer not co-operating*
11th Apr 19	Dropline Overdraft	Long term	7.50	ACUITE B/ Stable (Downgraded from ACUITE B+/Stable)
	Letter of Credit	Short Term	2.10*	ACUITE A4 (Reaffirmed)
	Proposed Overdraft	Long term	0.75	ACUITE B/ Stable (Downgraded from ACUITE B+/Stable)
2nd Feb 18	Dropline Overdraft	Long term	7.60	ACUITE B+/ Stable (Reaffirmed)
	Letter of Credit	Short Term	1.60	ACUITE A4 (Reaffirmed)
	Bank Guarantee	Short Term	0.50	ACUITE A4 (Reaffirmed)
	Proposed Overdraft	Long term	0.65	ACUITE B+/ Stable (Reaffirmed)

*Annexure – Details of instruments rated

Lenders Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
State Bank of India	Dropline Overdraft	Not Applicable	Not Applicable	Not Applicable	7.50	ACUITE B Issuer not co-operating*
State Bank of India	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.10*	ACUITE A4 Issuer not co-operating*
Not Applicable	Proposed Overdraft	Not Applicable	Not Applicable	Not Applicable	0.75	ACUITE B Issuer not co-operating*

*Rs.0.50 crore Letter of Credit facility interchangeable with Bank Guarantee.

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

Contacts

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About Acuite Ratings & Research:

Acuite 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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