

Press Release

North Eastern Cables Private Limited

October 06, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 16.00 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.

Rating Rationale

Acuite has reviewed the long-term rating of '**ACUITE B**' (read as **ACUITE B**) and short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 16.00 crore bank facilities of North Eastern Cables Private Limited. This rating is now an indicative rating and is based on best available information.

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.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-4.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). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

NECPL, incorporated in 1988, is an Assam- based company engaged in manufacturing of cables and conductors. NECPL also undertakes construction of power sub -stations for state electricity boards and power distribution companies. NECPL was promoted by Mr. M. D. Khetan, Mr. J. P. Khetan, Mr. B. K. Khetan and Mr. P. K. Khetan. The overall operations of the company are currently managed by Mr. J. P. Khetan and Mr. P. K. Khetan. NECPL mainly caters to Assam Electricity Board. The company also deals with private sector entities.

For FY2014-15, NECPL reported profit after tax of Rs.0.24 crore on operating income of Rs.11.21 crore, as compared with profit after tax of Rs.0.84 crore on operating income of Rs.28.35 crore in the previous year.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuite 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
9th Aug 17	Cash Credit	Long term	2.00	ACUITE B (Indicative)
	Letter of Credit	Short Term	2.00	ACUITE A4 (Indicative)
	Bank Guarantee	Short Term	12.00	ACUITE A4 (Indicative)
9th Feb 16	Cash Credit	Long term	2.00	ACUITE B/Stable (Downgraded from ACUITE BB/Stable)
	Letter of Credit	Short Term	2.00	ACUITE A4 (Downgraded from ACUITE A4+)
	Bank Guarantee	Short Term	12.00	ACUITE A4 (Downgraded from ACUITE A4+)
3rd Feb 15	Cash Credit	Long term	2.00	ACUITE BB/Stable (Assigned)
	Letter of Credit	Short Term	2.00	ACUITE A4+ (Assigned)
	Bank Guarantee	Short Term	12.00	ACUITE A4+ (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE B Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4 Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE A4 Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
<p>Aditya Gupta Head–Corporate and Infrastructure Sector Rating's Tel: 022-67141111 aditya.gupta@acuited.in</p> <p>Amogh Kharkar Analyst - Rating Operations Tel: 022-67141315 amogh.kharkar@acuiteratings.in</p>	<p>Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuited.in</p>

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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