

Press Release

National Fittings Limited

December 10, 2019

Rating Update

Total Bank Facilities Rated*	Rs. 14.65 Cr. #
Short Term Rating	ACUITE A4+ (Downgraded from ACUITE A3+) Issuer not co-operating*

Refer Annexure for details

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

Acuité has downgraded the short term rating of National Fittings Limited (NFL) to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3+**' (read as **ACUITE three plus**). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Incorporated in 1993 by Mr. A. V. Palaniswamy, NFL (the erstwhile Interfit Techno Products Limited) is a Coimbatore-based company engaged in the manufacture of spheroidal graphite pipe fittings, stainless steel fittings and stainless steel ball valves.

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 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.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.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). 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.

About the Rated Entity - Key Financials

Particulars	Unit	2019(Actual)	2018(Actual)
Operating Income	Rs. Crore	58.04	61.95
Profit after tax (PAT)	Rs. Crore	2.99	7.43
PAT margin	%	5.15	12.51
Total debt/ Tangible Net worth	Times	0.51	0.32
PBDIT/ Interest	Times	3.61	9.81

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

Not Applicable

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 (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
13-Nov-2018	Packing Credit	Short Term	4.00	ACUITE A3+ (Indicative)
	Post Shipment Credit	Short Term	5.00	ACUITE A3+ (Indicative)
	Bank Guarantee	Short Term	0.15	ACUITE A3+ (Indicative)
	Letter of Credit	Short Term	1.50	ACUITE A3+ (Indicative)
	Proposed Working Capital Demand Loan	Short Term	4.00	ACUITE A3+ (Indicative)
12-Sep-2017	Packing Credit	Short Term	4.00	ACUITE A3+ (Indicative)
	Post Shipment Credit	Short Term	5.00	ACUITE A3+ (Indicative)
	Bank Guarantee	Short Term	0.15	ACUITE A3+ (Indicative)
	Letter of Credit	Short Term	1.50	ACUITE A3+ (Indicative)
	Proposed Working Capital Demand Loan	Short Term	4.00	ACUITE A3+ (Indicative)
02-Jun-2016	Packing Credit	Short Term	4.00	ACUITE A3+ (Assigned)
	Post Shipment Credit	Short Term	5.00	ACUITE A3+ (Assigned)
	Bank Guarantee	Short Term	0.15	ACUITE A3+ (Assigned)
	Letter of Credit	Short Term	1.50	ACUITE A3+ (Assigned)
	Proposed Working Capital Demand Loan	Short Term	4.00	ACUITE A3+ (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Packing Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE A4+ (Downgraded from ACUITE A3+) Issuer not co-operating*
Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4+ (Downgraded from ACUITE A3+) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.15	ACUITE A4+ (Downgraded from ACUITE A3+) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE A4+ (Downgraded from ACUITE A3+) Issuer not co-operating*
Proposed Working Capital Demand Loan	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE A4+ (Downgraded from ACUITE A3+) Issuer not co-operating*

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