

Press Release

CNC Automotive

06 April, 2018

Rating Update



Total Bank Facilities Rated*	Rs.13.00 cr.#
Long Term Rating (Indicative)	SMERA BBB Issuer not co-operating*

#Refer Annexure for details

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

SMERA has reviewed the long term rating of '**SMERA BBB**' (read as **SMERA triple B**) on the Rs. 13.00 crore bank facilities of CNC Automotive. This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower: SMERA 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 SMERA's policies.

Any other information: We are yet to receive banker's feedback.

Applicable Criteria

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

About the Company:

CNC Automotive was established on 15th March, 2001 as a partnership firm by Mr Mahesh N Shah, Mr Vivek J Shah, and Mr Jayant N Shah. Later on 1st April 2006, Mrs Pravina J Shah, Mrs Reena V Shah, Mrs Smita M Shah and Mr Jay M Shah joined as the partners. The entity is engaged in manufacturing of ready to use precision machined components, mainly for automobile sector. The entity also manufactures cloth fibre for automotive sector and is engaged in surface treatment of components. The entity operates from its factories at Peenya Industrial area, Bangalore and has two branches in its vicinity. The entity is a part of CNC

Automotive group which was found in 1969. The group is engaged in manufacturing of precision turned components and sub-assemblies for the automotive, hydraulic, general engineering and telecommunication sectors. The entity caters to domestic market and started exporting in FY2016-17, and has two subsidiaries, namely, Acetech and Kaizen CNC Centre Private Limited. The entity was awarded the BOSCH award in appreciation of their active promotion and implementation of 'Poka Yoke' in their manufacturing process in FY2009.

Rating History upto last three years:

Date	Name of Instrument/ Facilities	Term	Amount (Rs.Crore)	Ratings/Outlook
9th May 17	Cash Credit	Long Term	1.00	SMERA BBB/ Stable (Assigned)
	Term Loan	Long Term	4.00	SMERA BBB/ Stable (Assigned)
	Proposed Cash Credit	Long Term	0.5	SMERA BBB/ Stable (Assigned)
	Proposed Long Term Loan	Long Term	7.50	SMERA BBB/ Stable (Assigned)

Annexure - Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.00	SMERA BBB Issuer not co- operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	4.00	SMERA BBB Issuer not co- operating*
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	0.5	SMERA BBB Issuer not co- operating*
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	7.50	SMERA BBB Issuer not co- operating*

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

Contacts

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ABOUT SMERA

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