

## Press Release



### CNC Automotive

February 12, 2021

### Rating Update

<b>Total Bank Facilities Rated*</b>	Rs. 13.00 Cr.#
<b>Long Term Rating</b>	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*

#Refer Annexure for details

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

Acuité has downgraded the long term rating to '**ACUITE BB**' (**read as ACUITE double B**) from '**ACUITE BB+**' (**read as ACUITE double B plus**) on the Rs. 13.00 crore bank facilities of CNC Automotive (CNC). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

CNC Automotive was established on 15 March, 2001 as a partnership firm by Mr. Mahesh N Shah, Mr. Vivek J Shah, and Mr. Jayant N Shah. Later on 01 April 2006, Mrs. Pravina J Shah, Mrs. Reena V Shah, Mrs. Smita M Shah and Mr. Jay M Shah joined as 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 BOSCH award in appreciation of their active promotion and implementation of 'Poka Yoke' in their manufacturing process in FY2009.

#### **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 continues to be 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
Dec 10, 2019	Cash Credit	Long Term	1.00	ACUITE BB+ (Downgraded from ACUITE BBB) Issuer not co-operating*
	Term Loan	Long Term	4.00	ACUITE BB+ (Downgraded from ACUITE BBB) Issuer not co-operating*
	Proposed Cash Credit	Long Term	0.50	ACUITE BB+ (Downgraded from ACUITE BBB) Issuer not co-operating*
	Proposed Long Term Loan	Long Term	7.50	ACUITE BB+ (Downgraded from ACUITE BBB) Issuer not co-operating*
June 29, 2019	Cash Credit	Long Term	1.00	ACUITE BBB Issuer not co-operating*
	Term Loan	Long Term	4.00	ACUITE BBB Issuer not co-operating*
	Proposed Cash Credit	Long Term	0.50	ACUITE BBB Issuer not co-operating*
	Proposed Long Term Loan	Long Term	7.50	ACUITE BBB Issuer not co-operating*
Apr 06, 2018	Cash Credit	Long Term	1.00	ACUITE BBB Issuer not co-operating*
	Term Loan	Long Term	4.00	ACUITE BBB Issuer not co-operating*
	Proposed Cash Credit	Long Term	0.50	ACUITE BBB Issuer not co-operating*
	Proposed Long Term Loan	Long Term	7.50	ACUITE BBB Issuer not co-operating*

### #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	1.00	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Term Loan	Not Available	Not Available	Not Available	4.00	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	7.50	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*

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

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### About Acuité Ratings & Research:

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