

Press Release

CNC India Tools And Services Private Limited

November 05, 2020



Rating Update

Total Bank Facilities Rated*	Rs. 20.42 Cr.#
Long Term Rating	ACUITE BB- (Downgraded from ACUITE BB) 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 downgraded the long term rating to '**ACUITE BB-**' (**read as ACUITE double B minus**) from '**ACUITE BB**' (**read as ACUITE double B**) and reviewed the short term rating of '**ACUITE A4+**' (**Read as ACUITE A four plus**) on the Rs. 20.42 crore bank facilities of CNC India Tools and Services Private Limited (CNCI). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

CNC India Tools and Services Private Limited (CNCI) was set up as a partnership firm in 1993 promoted by Mr. Jayaraman Nagarajan, Mr. Jayaraman Vijayakumar, Mr. Coimbatore Jayathirtha Badrinath. The company was reconstituted as a private limited company on February 10, 2004. The company is primarily engaged in manufacturing of mainly in the Computer Numerical Control (CNC) machine tools segment and is accredited with ISO9001:2000 certification. The product portfolio comprises of cutting tools, jigs and fixtures, retrofitting and reconditioning of CNC Machines, electrical panel and boards, special purpose machine as required by its clients. The manufacturing facility of the company is located at Peenya, Bangalore, Karnataka. The company exports about 1 per cent of its manufactured product to overseas market mainly to Dubai, UAE and Sharjah and subsequently imports around 1 per cent of its raw material requirements from overseas market mainly from Japan and Germany.

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.

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
14 Aug, 2019	Term Loans	Long Term	3.82	ACUITE BB Issuer not co-operating*
	ILC/FLC/BG	Short Term	8.10	ACUITE A4+ Issuer not co-operating*
	Proposed ILC/FLC/BG	Short Term	2.00	ACUITE A4+ Issuer not co-operating*
	Proposed Term Loan	Long Term	1.00	ACUITE BB Issuer not co-operating*
	Proposed SODH	Long Term	1.00	ACUITE BB Issuer not co-operating*
	Secured overdraft against hypothecation (SODH)	Long Term	4.50	ACUITE BB Issuer not co-operating*
28 June, 2018	Term Loans	Long Term	3.82	ACUITE BB/ Stable (Assigned)
	ILC/FLC/BG	Short Term	8.10	ACUITE A4+ (Assigned)
	Proposed ILC/FLC/BG	Short Term	2.00	ACUITE A4+ (Assigned)
	Proposed Term Loan	Long Term	1.00	ACUITE BB/ Stable (Assigned)
	Proposed SODH	Long Term	1.00	ACUITE BB/ Stable (Assigned)
	Secured overdraft against hypothecation (SODH)	Long Term	4.50	ACUITE BB/ Stable (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
Term Loans	Not Available	Not Applicable	Not Available	3.82	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
ILC/FLC/BG	Not Applicable	Not Applicable	Not Applicable	8.10	ACUITE A4+ Issuer not co-operating*
Proposed ILC/FLC/BG	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ Issuer not co-operating*
Proposed Term Loan	Not Available	Not Applicable	Not Available	1.00	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Proposed SODH	Not Available	Not Applicable	Not Available	1.00	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Secured overdraft against hypothecation (SODH)	Not Available	Not Applicable	Not Available	4.50	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:

Acuité 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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