

Press Release

Surfine Tools

30 April 2020



Rating Update

Total Bank Facilities Rated*	Rs. 10.00 Cr. #
Long Term Rating	ACUITE BB- (Downgraded from ACUITE BB/Stable) Issuer non-cooperating*
Short term Rating	ACUITE A4 Issuer non-cooperating*

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 short term rating of **ACUITE A4**(**read as ACUITE A4**) Surfine Tools (ST). This rating is now an indicative rating and is based on best available information. The rating downgrade is on account of information risk.

Coimbatore (Tamil Nadu) based, ST was established in 2006 by Mr. N Rajendra and Mr. Mr. V. Sriram. The firm is engaged in manufacturing of precision components for Automobile, Tractor and Textile Industries. ST basically caters to the Tier I suppliers for OEMs.

Analytical Approach:

Acuité has considered the standalone business and financial risk profiles of the ST to arrive at this rating.

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.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Infrastructure entities - <https://www.acuite.in/view-rating-criteria-51.htm>
- Financial Ratios And Adjustments- <https://www.acuite.in/criteria-fin-ratios.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 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 attempts.

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 (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
27 February 2019	Cash Credit	Long Term	5.50*	ACUITE BB/Stable (Assigned)
	Term Loan	Long Term	4.35	ACUITE BB/Stable (Assigned)
	Bank guarantee/Letter of Guarantee	Long Term	0.15	ACUITE A4+ (Assigned)

*sublimit - EPC/PCFC of Rs.2.50 crore and FBP/FBD/FBN of Rs.2.50 crore of CC

*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	5.50*	ACUITE BB- Downgraded Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	4.35	ACUITE BB- Downgraded Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.15	ACUITE A4 Downgraded 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 (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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