

Press Release

Necco Tools

July 08, 2022



Rating Reaffirmed & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	15.00	ACUITE BB Reaffirmed & Withdrawn Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	15.00	-	-

Rating Rationale

Acuite has reaffirmed & withdrawn the long term rating of 'ACUITE BB' (read as ACUITE double B) on the Rs. 15.00 crore bank facilities of Necco Tools. The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating. The rating is flagged as "Issuer NotCooperating". The rating is being withdrawn on account of request received from the company and NOC received from the banker.

About the Company

Necco Tools (NT) was established in 1981 by Mr. K Nelson in Chennai and is engaged in the manufacturing of sheet metal components namely radiators, generator parts, starter parts, press tools, gauges and other automobile components (machined components and subassemblies) which are primarily used in the automobile industry and electrical companies.

Non-cooperation by the issuer/borrower:

Acuite 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 is therefore being flagged as "Issuer notcooperating", in line with prevailing SEBI regulations and Acuite's policies.

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 endeavoured to gather information about the entity/ industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit ratings is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Rating Sensitivity

No information provided by the issuer / available for Acuite to comment upon.

Material Covenants

None

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon

Outlook

Not Applicable

Status of non-cooperation with previous CRA

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.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
01 Feb 2022	Term Loan	Long Term	6.50	ACUITE BB (Issuer not co-operating*)
	Secured Overdraft	Long Term	8.50	ACUITE BB (Issuer not co-operating*)
26 Nov 2020	Term Loan	Long Term	6.50	ACUITE BB Stable (Assigned)
	Secured Overdraft	Long Term	8.50	ACUITE BB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Canara Bank	Not Applicable	Overdraft	Not Applicable	Not Applicable	Not Applicable	8.50	ACUITE BB Withdrawn Issuer not co-operating*
Canara Bank	Not Applicable	Term Loan	01-06-2020	10	31-05-2023	6.50	ACUITE BB Withdrawn Issuer not co-operating*

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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