

## Press Release

Accura Weldrods Kovai Private Limited

December 08, 2020

### Rating Update



<b>Total Bank Facilities Rated*</b>	Rs. 6.85 Cr. #
<b>Long Term Rating</b>	ACUITE B+ (Issuer not co-operating*; Downgraded)
<b>Short Term Rating</b>	ACUITE A4 Issuer not co-operating*

# Refer Annexure for details

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

### Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE single B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and reviewed the short term rating to '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.6.85 crore bank facilities of Accura Weldrods Kovai Private Limited (AWPL). The rating is downgraded and flagged as "Issuer Not-Cooperating" on account of information risk.

Established in 2011, Accura Weldrods Kovai Private Limited (AWPL) is a private limited company based out of Coimbatore, Tamil Nadu engaged in manufacturing of welding electrodes. The firm is promoted by Mr Nanthagopal.

### 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.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

### 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). 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 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

Acuite 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
17-Sept-2019	Cash Credit	Long Term	5.25	ACUITE BB-/Stable (Reaffirmed)
	Term Loan	Long Term	0.84	ACUITE BB-/Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	0.01	ACUITE BB-/Stable (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	0.75	ACUITE A4 (Reaffirmed)
04-July-2018	Cash Credit	Long Term	5.25	ACUITE BB-/Stable (Assigned)
	Term Loan	Long Term	0.84	ACUITE BB-/Stable (Assigned)
	Proposed Bank Facility	Long Term	0.01	ACUITE BB-/Stable (Assigned)
	Bank Guarantee	Short Term	0.75	ACUITE A4 (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	5.25	ACUITE B+ (Issuer not co-operating*; Downgraded)
Term Loan	Not Available	Not Available	Not Available	0.84	ACUITE B+ (Issuer not co-operating*; Downgraded)
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.01	ACUITE B+ (Issuer not co-operating*; Downgraded)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.75	ACUITE A4 Issuer not Cooperating

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

## Contacts

Analytical	Rating Desk
<p>Aditya Gupta Vice President Tel: 022-49294041 <a href="mailto:aditya.gupta@acuited.in">aditya.gupta@acuited.in</a></p> <p>Nagidi Bhavani Analyst - Rating Operations Tel: 040-40042327 <a href="mailto:nagidi.bhavani@acuited.in">nagidi.bhavani@acuited.in</a></p>	<p>Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 <a href="mailto:rating.desk@acuited.in">rating.desk@acuited.in</a></p>

## About Acuite Ratings & Research:

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