

National Exports Corporation

June 02, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term / Short Term Bank Facilities	7.50	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING* (Single B Plus; Outlook: Stable/ A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; Stable / CARE A4; (Double B Minus; Outlook: Stable / A Four)
Total Bank Facilities	7.50 (Rs. Seven Crore and Fifty Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated April 01, 2021, placed the rating(s) of National Exports Corporation (NEC) under the 'issuer non-cooperating' category as NEC had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. NEC continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated February 15, 2022, February 25, 2022, March 07, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings assigned to the bank facilities of NEC have been revised on account of non-availability of requisite information.

Detailed description of the key rating drivers

Please refer to PR dated [April 01, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the firm

Amritsar (Punjab) based National Exports Corporation (NEC) is a partnership firm established in 1998 and is currently being managed by Mr. Arvinder Singh, Mr. Tarunjit Singh and Ms. Gurdip Kaur. The firm initially was engaged in manufacturing of rubber conveyor belts and transmission belts, which find application in mining, quarrying, transport industry etc. However, the firm also started manufacturing steel cord belts in January, 2019. The firm has its manufacturing unit located in Amritsar, Punjab.

Brief Financials (Rs. crore)	31-03-2020 (Prov.)	31-03-2021 (A)	31-03-2022 (Prov.)
Total operating income	11.26	NA	NA
PBILDT	2.03	NA	NA
PAT	0.55	NA	NA
Overall gearing (times)	0.54	NA	NA
Interest coverage (times)	2.79	NA	NA

A – Audited, Prov. – Provisional, NA – Not available

¹ Complete definition of the ratings assigned are available at www.careedge.in and other CARE publications

*Issuer did not cooperate; Based on best available information

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Please refer Annexure-3

Complexity level of various instruments rated for this firm: Please refer Annexure-4

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based/Non-fund-based-LT/ST	-	-	-	-	7.50	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based/Non-fund-based-LT/ST	LT/ST	7.50	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* (01-Apr-21)	1)CARE BB-; Stable / CARE A4 (04-Jan-21) 2)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* (01-Apr-20)	-

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not applicable

Annexure-4: Complexity level of various instruments rated for this firm

Sr. No	Name of instrument	Complexity level
1	Fund-based/Non-fund-based-LT/ST	Simple

Annexure-5: Bank Lender Details for this firm

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

Media Contact

Name – Mr. Mradul Mishra
Contact no. - +91-22-6754 3596
Email ID - mradul.mishra@careedge.in

Analyst Contact

Name - Shachee Nakul Vyas
Contact no. - 91-079-40265665
Email ID - shachee.tripathi@careedge.in

Relationship Contact

Name - Swati Agrawal
Contact no. - 9811745677
Email ID - swati.agrawal@careedge.in

About CARE Ratings Limited:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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