



The Ultimate Grip

AKAR TOOLS LTD.

E-5, M.I.D.C. Waluj, Aurangabad - 431 138 (M.S.) INDIA
Phone : (0240) 6647200
Fax : 91 - 240-2554640. Web Site : www.akartoolsltd.com
E-Mail : factory@akartoolsltd.com
CIN No.: L29220MH1989PLC052305



Date: 27/01/2016

BSE limited
Corporate Relationship Department,
1st Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort, Mumbai- 400 001.

Ref.: BSE CODE 530621 AKARTOOL EQ

Sub: Intimation regarding Credit Rating for bank facilities

Dear Sir,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirement) Regulation 2015, this is to inform you that India Ratings & Research (FITCH Group) has assigned credit ratings to the long term loan and bank facilities as under:

- INR45m Long term loans: assigned "IND BB+"/Stable
- INR343m fund based facilities: assigned "IND BB+"/Stable/"INDA4+"
- INR60m non fund-based facilities: assigned "INDA4+"

The rating rationale assigned from India Ratings & Research (FITCH Group) is enclosed with this letter.

Please take this information on record.

For Akar Tools Limited


Company Secretary

Mr. Radhamohan Garg
CFO
Akar Tools Limited
E-5, MIDC Area, Waluj
Aurangabad - 431138
Maharashtra.

January 11, 2016

Kind Attn: Mr. Radhamohan Garg, CFO

Dear Sir

Re: Rating Letter of Akar Tools Limited

India Ratings & Research (Ind-Ra) has assigned Akar Tools Limited (ATL) a Long-Term Issuer Rating of 'IND BB+'. The Outlook is Stable. Rating actions on ATL's bank loans are as follows

- INR45m long-term loans: assigned 'IND BB+' / Stable
- INR343m fund-based facilities: assigned 'IND BB+' / Stable / 'IND A4+'
- INR60m non-fund-based facilities: assigned 'IND A4+'

The details of bank wise facilities are mentioned in the annexure.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

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It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.


In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact the undersigned at 022 – 4000 1700.

Sincerely,

India Ratings


Sandeep Singh
Senior Director


Sudarshan Shreenivas
Director

Annexure

Details of Bank Facilities from Canara Bank :		
Facility	Rating	Sanctioned Limit/ Outstanding (INR Million)
fund-based working capital limit	IND BB+*/Stable/'IND A4+*	343
non-fund-based working capital limit	'IND A4+*	60
long-term loan	'IND BB+*/Stable	45
Source: Akar Tools Limited		

11