

Press Release

Nipani Infra And Industries Private Limited

March 06, 2020

Rating Update



Total Bank Facilities Rated#	Rs.23.50 Cr.
Long Term Rating	ACUITE BB+ Issuer not co-operating* (Downgraded from ACUITE BBB-/Stable)
Short Term Rating	ACUITE A4+ Issuer not co-operating* (Downgraded from ACUITE A3)

#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 BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and the short-term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3**' (read as **ACUITE A three**) on the Rs.23.50 crore bank facilities of Nipani Infra And Industries Private Limited (Nipani). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

The Jabalpur-based, Nipani (Previously Known as Nipani Industries) was started as a partnership firm in 1996 and converted to Private Limited Company in May 2018. Nipani is engaged in pre-fab business, mainly, specialised in designing, procuring and erection of pre-fabricated steel structures. Nipani mainly focuses on Government projects for construction of barracks, buildings, wireless transmission towers and watch towers, among others besides customer specific structures. It operates across the geographies of Orissa, Chhattisgarh, Madhya Pradesh, Maharashtra, Andhra Pradesh, Kerala, Assam, Rajasthan, Uttarakhand and Andaman and Nicobar, among others.

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

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with 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>
- Infrastructure Sector Entities - <https://www.acuite.in/view-rating-criteria-51.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
09-Jan-2019	Cash Credit	Long Term	10.00	ACUITE BBB-/Stable (Assigned)
	Letter of credit	Short Term	1.50	ACUITE A3 (Assigned)
	Bank Guarantee	Short Term	12.00	ACUITE A3 (Assigned)

Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE BB+ Issuer not co-operating* (Downgraded from ACUITE BBB-/Stable)
Letter of credit	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE A4+ Issuer not co-operating* (Downgraded from ACUITE A3)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE A4+ Issuer not co-operating* (Downgraded from ACUITE A3)

*The issuer did not co-operate; based on best available information

Contacts

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About Acuite Ratings & Research:

Acuite 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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