

## Niagara Metals India Limited

October 10, 2022

### Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	7.00	<b>CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	5.00	<b>CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Facilities</b>	<b>12.00 (Rs. Twelve Crore Only)</b>		

*Details of facilities in Annexure-1*

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated August 04, 2021, placed the rating(s) of Niagara Metals India Limited (NMIL) under the 'issuer non-cooperating' category as NMIL 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. NMIL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated June 20, 2022, June 30, 2022, July 10, 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).**

### Detailed description of the key rating drivers

Please refer to PR dated [August 04, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

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

[Policy on default recognition](#)

### About the Company

Niagara Metals India Limited (NMI) was incorporated in December, 2004 as a 100% export-oriented unit for railway components. The company is currently being managed by Mr. Vinod Kumar Soni, Mr. Vikram Soni (son of Mr. Vinod Kumar Soni) and Mr. Charanjit Singh. NMI's manufacturing facility is situated at Ludhiana, Punjab. The company was initially engaged in the manufacturing of railway components and exported the same to the USA markets. However, in 2009, the company diversified its business and started manufacturing auto components also, apart from manufacturing railway components. Later on, in 2011, NMI ventured into construction and installation of pre-engineered steel structural buildings (PEBs) also, providing turnkey solutions in infrastructure space and shifted its selling arrangements from exports to domestic sales.

Brief Financials (Rs. crore)	FY20(A)	FY21(A)	FY22(Prov.)	H1FY23(Prov.)
Total operating income	NA	NA	NA	NA
PBILD	NA	NA	NA	NA
PAT	NA	NA	NA	NA
Overall gearing (times)	NA	NA	NA	NA
Interest coverage (times)	NA	NA	NA	NA

*A - Audited, Prov. Provisional, NA – Not Available*

**Status of non-cooperation with previous CRA:** India Ratings has continued the rating assigned to the bank facilities of NMI into Issuer Not Cooperating category vide press release dated July 28, 2022 on account of its inability to carry out a review in the absence of requisite information.

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and in other CARE Ratings Ltd.'s publications

\*Issuer did not cooperate; Based on best available information

**Any other information:** Not Applicable

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

**Covenants of rated instrument/facility:** Annexure 3

**Complexity level of various instruments rated for this company:** Annexure 4

**Annexure-1: Details of Instruments/ Facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	7.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	3.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	2.00	CARE D; 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 (₹ 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 - LT-Cash Credit	LT	7.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (04-Aug-21)	1)CARE D; ISSUER NOT COOPERATING* (18-Jun-20)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (03-Apr-19)
2	Non-fund-based - ST-Letter of credit	ST	3.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (04-Aug-21)	1)CARE D; ISSUER NOT COOPERATING* (18-Jun-20)	1)CARE A4+; ISSUER NOT COOPERATING* (03-Apr-19)
3	Non-fund-based - ST-Bank Guarantee	ST	2.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (04-Aug-21)	1)CARE D; ISSUER NOT COOPERATING* (18-Jun-20)	1)CARE A4+; ISSUER NOT COOPERATING* (03-Apr-19)

*\*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 Company**

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-Bank Guarantee	Simple
3	Non-fund-based - ST-Letter of credit	Simple

**Annexure 5: Bank Lender Details for this Company**

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](mailto:care@careedge.in) for any clarifications.

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### About CARE Ratings Limited:

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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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