

## Rail One USA Corp

August 27, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	89.38	CARE C; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1

\*Issuer did not cooperate; based on best available information.

### Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated July 21, 2023, placed the rating(s) of Rail One USA Corp (ROUC) under the 'issuer non-cooperating' category as ROUC had failed to provide information for monitoring of the rating. ROUC continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated June 05, 2024, June 15, 2024, June 25, 2024.

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).**

**Analytical approach:** Standalone

**Outlook:** Not applicable

### Detailed description of the key rating drivers:

Please refer to PR dated [July 21, 2023](#)

### Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)  
[Policy on Default Recognition](#)

### About the company

ROUC is a wholly owned subsidiary of PCM Rail.One AG (Germany), incorporated in 2013 in USA for setting up of facility for manufacturing of Concrete Sleepers in the USA. ROUC has entered into a 10-year contract with Union Pacific, for supply of sleepers with minimum off take of 2 Lakh sleepers per year. The facility with installed capacity of 4 lakh sleepers commenced operation in April 2014. ROUC belongs to the PCM group having presence in various sectors such as manufacturing of concrete sleepers, real estate, tea, steel, etc. The group is headed by Mr. Kamal Kumar Mittal, having over three decades of experience in various industries.

Brief Financials (Rs. crore)	March 31, 2016 (UA)^	March 31, 2017 (UA)^
Total operating income	86.18	101.20
PBILDT	-15.37	5.67
PAT	-21.23	-22.79
Overall gearing (times)	NM	NM
Interest coverage (times)	NM	0.50

UA – Unaudited, NM – Not meaningful, Note: the above results are latest financial results available

^USD converted into INR for the PL items at the average exchange rates for the year and for the B/S items at the exchange rates prevailing on account closing dates.

**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:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

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

**Complexity level of various instruments rated:** Annexure-4

**Lender details:** Annexure-5

**Annexure-1: Details of instruments/facilities**

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	12.77	CARE C; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	-	December 2021	76.61	CARE C; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; based on best available information.

**Annexure-2: Rating history for the last three years**

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term Loan	LT	76.61	CARE C; ISSUER NOT COOPERATING*	-	1)CARE C; ISSUER NOT COOPERATING* (21-Jul-23)	1)CARE C; ISSUER NOT COOPERATING* (31-May-22)	1)CARE B+ (CE); Stable; ISSUER NOT COOPERATING* (30-Jun-21)
2	Fund-based - LT-Cash Credit	LT	12.77	CARE C; ISSUER NOT COOPERATING*	-	1)CARE C; ISSUER NOT COOPERATING* (21-Jul-23)	1)CARE C; ISSUER NOT COOPERATING* (31-May-22)	1)CARE B+ (CE); Stable; ISSUER NOT COOPERATING* (30-Jun-21)

\*Issuer did not cooperate; based on best available information.

LT: Long term

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

**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

**Annexure-5: Lender details**

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

**Note on the complexity levels of the rated instruments:** CARE Ratings 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

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### Disclaimer:

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