

## Natraj Electrocasting Private Limited

November 25, 2022

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	18.60	CARE B+; Stable; ISSUER NOT COOPERATING* (Single B Plus; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; Stable (Double B Minus; Outlook: Stable)
Long Term / Short Term Bank Facilities	2.90	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)
Short Term Bank Facilities	1.54	CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>23.04 (Rs. Twenty-Three Crore and Four Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1

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

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated September 09, 2021, placed the rating(s) of Natraj Electrocasting Private Limited (NEPL) under the 'issuer non-cooperating' category as NEPL 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. NEPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated July 26, 2022, August 05, 2022, August 15, 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 NEPL have been revised on account of non-availability of requisite information. The ratings also factored in decline in operating profit levels during FY22.

### Detailed description of the key rating drivers

Please refer to PR dated [September 09, 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 Company

NEPL was incorporated in May 2004 at Durgapur in West Bengal. However, the company started its commercial operation from November 2017 and setup a Kraft Paper manufacturing unit at Aushgram in Burdwan district with an installed capacity of 54,000 MTPA. The company manufactures kraft paper from waste paper. The day-to-day affairs of the company are looked after by Mr. Vivek Kumar Banka (Director) along with adequate support from other director Mr Niraj Kumar Banka and a team of experienced personnel.

<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

Brief Financials (Rs. crore)	FY21 (A)	FY22 (A)	H1FY23 (Prov.)
Total operating income	123.83	151.41	NA
PBILDT	5.45	6.32	NA
PAT	1.54	2.43	NA
Overall gearing (times)	1.18	0.77	NA
Interest coverage (times)	2.10	3.08	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 NEPL into Issuer Not Cooperating category vide press release dated October 19, 2022 on account of its inability to carry out a review in the absence of the requisite information from the company.

CRISIL has continued the rating assigned to the bank facilities of NEPL into Issuer Not Cooperating category vide press release dated October 27, 2022 on account of its inability to carry out a review in the absence of the requisite information from the company.

**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 (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	5.10	CARE B+; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	March 2025	13.50	CARE B+; Stable; ISSUER NOT COOPERATING*
Fund-based/Non-fund-based-LT/ST		-	-	-	2.90	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	1.54	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) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	13.50	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (09-Sep-21)	1)CARE BB; Stable (25-Jan-21)	1)CARE BB; Stable (27-Dec-19)
2	Fund-based - LT-Cash Credit	LT	5.10	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (09-Sep-21)	1)CARE BB; Stable (25-Jan-21)	1)CARE BB; Stable (27-Dec-19)
3	Non-fund-based - ST-Bank Guarantee	ST	1.54	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (09-Sep-21)	1)CARE A4 (25-Jan-21)	1)CARE A4 (27-Dec-19)
4	Fund-based/Non-	LT/ST*	2.90	CARE B+; Stable /	-	1)CARE BB-; Stable / CARE	1)CARE BB; Stable / CARE	1)CARE BB; Stable /

	fund-based-LT/ST			CARE A4; ISSUER NOT COOPERATING*		A4; ISSUER NOT COOPERATING* (09-Sep-21)	A4 (25-Jan-21)	CARE A4 (27-Dec-19)
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\*Issuer did not cooperate; Based on best available information

**Annexure-3: Detailed explanation of covenants of rated instrument/facility:** Not Applicable

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

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Fund-based/Non-fund-based-LT/ST	Simple
4	Non-fund-based - ST-Bank Guarantee	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 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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