

Northern Power Erectors Limited

November 29, 2021

Rating

Facilities / Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	14.00	CARE C; Stable; ISSUER NOT COOPERATING* (Single C; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B-; Stable; (Single B Minus; Outlook: Stable)
Short Term Bank Facilities	4.00	CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Facilities	18.00 (Rs. Eighteen Crore Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated December 10, 2020, placed the rating(s) of Northern Power Erectors Limited (NPEL) under the 'issuer non-cooperating' category as NPEL 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. NPEL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 26, 2021, November 05, 2021, November 15, 2021.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE'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 have been revised on account of non-availability of requisite information.

Detailed description of the key rating drivers

Please refer to PR dated [December 10, 2020](#)

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

New Delhi based, Northern Power Erectors Limited (NPEL) is a closely held public limited company originally incorporated in 1986 as Northern Power Erectors Private Limited. The name was and constitution was revised to present one in May, 1993. The Company is currently being managed by Mr. V.S. Mittal and Mr. N.S. Mittal. The company is engaged in manufacturing of hydro turbine and generator parts like S.S. rings, turbine runners, guide vane housing, etc. The company is also engaged in servicing and maintenance of hydro power stations. The raw material required for manufacturing of above products include electrodes, wires, screws, bearings, studs, etc. which are procured from traders and manufacturers located in Delhi, Meerut, Gujarat, Mumbai, Ghaziabad, etc.

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications

*Issuer did not cooperate; Based on best available information

Brief financials of NPEL

Brief Financials (Rs. crore)	FY19 (A)	FY20 (A)
Total operating income	89.34	25.37
PBILDT	2.56	-1.95
PAT	0.11	0.06
Overall gearing (times)	2.36	2.21
Interest coverage (times)	1.23	NM

A: Audited

Status of non-cooperation with previous CRA: CRISIL has conducted the review on the basis of best available information and classified NPEL as “Not cooperating” vide its press release dated January 29, 2021.

Any other information: Not Applicable

Disclosure of Interest of Independent/Non-Executive Directors, Managing Director & CEO of CARE: NA

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	-	-	-	-	14.00	CARE C; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantees	-	-	-	-	4.00	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) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-Cash Credit	LT	14.00	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING * (10-Dec-20)	1)CARE B; Stable; ISSUER NOT COOPERATING * (22-Oct-19)	1)CARE B+; Stable (16-Aug-18)
2	Non-fund-based - ST-Bank Guarantees	ST	4.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING * (10-Dec-20)	1)CARE A4; ISSUER NOT COOPERATING * (22-Oct-19)	1)CARE A4 (16-Aug-18)

*Issuer did not cooperate; Based on best available information

Annexure 3: Covenants of rated instrument/facility: 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 Guarantees	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

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