



Press Release

Nipman Fastener Industries Private Limited

June 20, 2024

Ratings

Facilities	Amount (INR crore)	Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	119.60	IVR D ISSUER NOT COOPERATING* (IVR D Issuer Not Cooperating)	Reaffirmed and Continued in the 'Issuer Not Cooperating' category	Simple
Total	119.60 (Rupees one hundred nineteen crore and sixty lakh)			

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

Details of Facilities are in Annexure 1

Detailed Rationale

The rating reaffirmation is because of lack of adequate information regarding Nipman Fastener Industries Private Limited's (NFIPL) performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the firm is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities vide E-mail communications dated 4th March 2024, 21st March 2024, 26th April 2024, 21st May 2024, 22nd May 2024, 24th May 2024, 19th June 2024, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the surveillance fees and all the essential details required for detailed review of the assigned ratings.



Press Release

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term rating for the bank loan facilities aggregating to INR 119.60 crore shall continue in the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR D ISSUER NOT COOPERATING based on best available information (IVR D Issuer Not Cooperating based on best available information) of Nipman Fastener Industries Private Limited.

Analytical Approach & Applicable Criteria: Standalone

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Criteria of Rating Outlook](#)

[Default Recognition Policy](#)

[Complexity Level of Rated Instruments/Facilities](#)

About the Company

Incorporated in 1997, New Delhi based Nipman Fastener Industries Pvt. Ltd. was promoted by Mr. Pravin Malhotra, a post-graduate in Business Administration and having a long track record of successfully managing businesses. The core business of the company is manufacturing of Standard and Special fasteners for automotive application, Engine studs for two-wheeler, other cold forged components. Company's products are mainly used in automotive engines, transmission, suspension, steering assembly, safety systems and various other sub-assemblies of 2 wheelers and 4 wheelers.

Financials (Standalone)

(INR Crore)

For the year ended* / As On	31-03-2020	31-03-2021
	Audited	Audited
Total Operating Income	147.39	103.89
EBITDA	26.50	3.09
PAT	(0.87)	(23.05)



Press Release

Total Debt	151.28	171.69
Tangible Net worth	35.69	13.82
EBITDA Margin (%)	17.98	2.98
PAT Margin (%)	(0.59)	(22.02)
Overall Gearing Ratio (x)	3.37	7.91

* As per Infomerics Standard

Status of non-cooperation with previous CRA: Brickwork ratings has continued its rating under “Issuer Not Cooperating” category vide press release dated May 24, 2024 due to non-submission of information.

Any other information: Nil

Rating History for last three years:

Sr · N o.	Name of Instrument / Facilities	Current Rating (Year 2024-25)			Rating History for the past 3 years				
		Type	Amount outstanding (INR Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24 (May 16, 2023)	Date(s) & Rating(s) assigned in 2022- 23	Date(s) & Rating(s) assigned in 2021-22		
							(Mar 04, 2022)	(Oct 13, 2021)	(May 24, 2021)
1.	Cash Credit	Long Term	52.99	IVR D ISSUER NOT COOPERA TING*	IVR D ISSUER NOT COOPERA TING*	-	IVR D ISSUER NOT COOPE RATING *	IVR B+/ Stable	IVR B+/ Stable ISSUER NOT COOPE RATING *
2.	Term Loan	Long Term	0.86	IVR D ISSUER NOT COOPERA TING*	IVR D ISSUER NOT COOPERA TING*	-	IVR D ISSUER NOT COOPE RATING *	IVR B+/ Stable	IVR B+/ Stable ISSUER NOT COOPE RATING *
3.	Corporate Loan	Long Term	51.91	IVR D ISSUER NOT COOPERA TING*	IVR D ISSUER NOT COOPERA TING*	-	IVR D ISSUER NOT COOPE RATING *	IVR B+/ Stable	IVR B+/ Stable ISSUER NOT COOPE RATING *
4.	GECL	Long Term	13.00	IVR D ISSUER NOT	IVR D ISSUER NOT	-	IVR D ISSUER NOT	IVR B+/ Stable	IVR B+/ Stable ISSUER



Press Release

Sr · N o.	Name of Instrument / Facilities	Current Rating (Year 2024-25)			Rating History for the past 3 years				
		Type	Amount outstanding (INR Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24 (May 16, 2023)	Date(s) & Rating(s) assigned in 2022- 23	Date(s) & Rating(s) assigned in 2021-22		
							(Mar 04, 2022)	(Oct 13, 2021)	(May 24, 2021)
				COOPERA TING*	COOPERA TING*		COOPE RATING *		NOT COOPE RATING *
5.	Covid Loan	Long Term	0.84	IVR D ISSUER NOT COOPERA TING*	IVR D ISSUER NOT COOPERA TING*	-	IVR D ISSUER NOT COOPE RATING *	IVR B+/ Stable	IVR B+/ Stable ISSUER NOT COOPE RATING *

* Issuer did not cooperate; based on best available information

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.



Press Release

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy, or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	52.99	IVR D ISSUER NOT COOPERATING*
Term Loan	-	-	April, 2024	0.86	IVR D ISSUER NOT COOPERATING*
Corporate Loan	-	-	April, 2024	51.91	IVR D ISSUER NOT COOPERATING*
GECL	-	-	Feb, 2026	13.00	IVR D ISSUER NOT COOPERATING*
Covid Loan	-	-	Feb, 2026	0.84	IVR D ISSUER NOT COOPERATING*

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

Annexure 2: Facility wise lender details: Not Applicable

Annexure 3: List of companies considered for consolidated analysis: Not Applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com