



Press Release

Nickunj Eximp Enterprises Private Limited

16th August 2023

Ratings

Sl. No.	Instrument/Facility	Amount (Rs. Crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
1.	Long Term Bank Facilities	24.50	IVR B+/Negative/INC* (IVR B Plus with Negative Outlook; Issuer Not Cooperating)	IVR BB-/Stable (IVR Double B Minus with Stable Outlook)	Downgraded and Moved under ISSUER NOT COOPERATING category	Simple
2.	Short Term Bank Facilities	9.00	IVR A4/INC* (IVR A Four; Issuer Not Cooperating)	IVR A4 (IVR A Four)	Reaffirmed and Moved under ISSUER NOT COOPERATING category	Simple
Total		33.50				

* Issuer not cooperating; Based on best available information

Details of Facilities are in Annexure 1.

Detailed Rationale

The rating is downgraded because of lack of adequate information regarding Nikcunj Eximp Enterprises Pvt. Ltd. performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity 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 entity, despite the downgrade.

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 mails communications latest by August 07th, 2023, and concurrently over several phone calls. However, despite repeated requests by



Press Release

Infomerics, the company's management has not submitted the complete details and fees for surveillance exercise.

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 ratings and short-term ratings for the bank loan facilities aggregating to Rs 33.50 crore of Nickunj Eximp Enterprises Pvt. Ltd. shall be moved under the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR B+/Negative/IVR A4: ISSUER NOT COOPERATING; based on best available information (IVR B Plus with negative outlook; A Four; ISSUER NOT COOPERATING; based on best available information).

Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

Analytical Approach: Standalone Approach

Applicable Criteria:

[Rating Methodology for Trading Companies](#)

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

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

About the Company

Nickunj Eximp Enterprises Private Limited (NEEPL), incorporated in 1987 was promoted by Mumbai based Mr. Nickunj Shah along with his family members. The company offers a wide range of hi-tech industrial products under five different business segments such as Advanced Engineering solutions, High Temperature Solutions, EDM Solutions, Metal cutting solutions and Jewellery manufacturing solutions.



Press Release

Financials (Standalone):

For the year ended*/As on	(Rs. crore)	
	31-03-2020	31-03-2021
	Audited	Audited
Total Operating Income	66.20	48.60
EBITDA	5.78	4.42
PAT	0.51	0.49
Total Debt	34.99	37.39
Adjusted Tangible Net worth	31.31	31.44
EBITDA Margin (%)	8.74%	9.09%
PAT Margin (%)	0.76%	1.01%
Overall Gearing Ratio (x)	0.97	1.05

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating (16 th August, 2023)	Date(s) & Rating(s) assigned in 2022-23 (03 rd June, 2022)	Date(s) & Rating(s) assigned in 2021-22 (21 April 2021)	Date(s) & Rating(s) assigned in 2020-21
1.	Cash Credit	Long Term	24.50	IVR B+/ Negative/ INC (IVR B Plus with Negative outlook; Issuer not Cooperating)	IVR BB-/ Stable (IVR Double B Minus with Stable outlook)	IVR BB-/ Stable (IVR Double B Minus with Stable outlook)	-
2.	Bank Guarantee	Short Term	9.00	IVR A4;INC (IVR A Four; Issuer not Cooperating)	IVR A4 (IVR A Four)	IVR A4 (IVR A Four)	-

* Issuer not cooperating; Based on best available information



Press Release

Name and Contact Details of the Rating Analyst:

Name: Om Prakash Jain

Tel: (011) 24611910

Email: opjain@infomerics.com

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. 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, suspend 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.



Press Release

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/Outlook
Long Term Bank Facilities- CC	-	-	-	24.50	IVR B+/Negative/INC*
Short Term Bank Facilities –BG	-	-	-	9.00	IVR A4/INC*

* Issuer did not cooperate; based on best available information

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/len-primacy-aug23.pdf>

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