

Everest Rolling Industries Private Limited

March 2024

Ratings

Instrument/Facilities	Amount (NPR. Mn)	Ratings	Rating Action
Long Term Bank Facilities – Term Loan	8.40	IRN B	Downgraded from IRN B+ and moved to Issuer not cooperating* category with notice of withdrawal
Short Term Bank Facilities- Fund Based Loan	730.00	IRN A4	Reaffirm and move to Issuer not cooperating* with notice of withdrawal
Short Term Bank Facilities- Non Fund Based Loan	630.00	IRN A4	Reaffirm and move to Issuer not cooperating* with notice of withdrawal
Total	1,368.40		

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

Infomerics Credit Rating Nepal Limited (Infomerics Nepal) has downgraded the long term rating to IRN B 'INC' (Single B, Issuer Not Cooperating) from IRN B+ (Single B Plus) to the long term bank facilities of NPR 8.40 Mn and reaffirmed the short term rating to IRN A4 'INC' (A Four, Issuer Not Cooperating) to the short term bank facilities of NPR 1,360.00 Mn and moved to Issuer Not Cooperating category with notice of withdrawal.

Detailed Rationale

The revision in the rating assigned to the bank facilities of Everest Rolling Industries Private Limited is because of non-cooperation by the company despite repeated follow ups and lack of adequate information leading to information availability risk and hence uncertainty around its credit risk. Infomerics Nepal assesses whether the information available about the company is commensurate with its rating and reviews the same as per the 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 Nepal 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 2023/10/03, 2023/12/07, 2024/01/12, 2024/01/25 and 2024/02/29 and concurrently over several phone calls. However, despite repeated requests by Infomerics Nepal, the company's management has not submitted all the essential details required for detailed review of the assigned ratings.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBON guidelines, Infomerics Nepal has to assign the rating based on the best available information. Accordingly, the ratings assigned to the bank loan facilities aggregating to NPR 1,368.40 Mn of Everest Rolling Industries Private Limited shall be moved to 'ISSUER NOT COOPERATING' category by Infomerics Nepal and the long-term rating/short term rating will be noted as IRN B/A4 'INC'; Based on best available information (Single B/A Four, Issuer Not Co-operating).

Analytical Approach: Standalone

Applicable Criteria:

[Corporate Credit Rating Methodology](#)

[Withdrawal Policy](#)

Past Rating Rationale:

[Everest Rolling Industries Private Limited: Bank Facilities Ratings Assigned](#)

About the Company:

Everest Rolling Industries Private Limited (ERIPL) is a private company incorporated on June 4, 1978 and has plant located at Padsari-4, Bhairahawa, Rupandehi, Nepal for manufacturing various steel items. ERIPL covers an area of 117,329.77 sq. ft. (~2.69 acres). The total installed capacity of ERIPL is 29,700 MTPA. The company is also involved in trading steel items such as Galvanized Wire, Binding Wire, and Roof Nail. The company has been operational for more than 44 years

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About Infomerics Credit Rating Nepal Limited:

Infomerics Credit Rating Nepal Ltd. is Nepal's third Credit Rating Agency licensed by the Securities Board of Nepal (SEBON) on March, 2022. Infomerics Nepal is a subsidiary of Infomerics Valuation and Rating Private Limited (Infomerics India) which is a SEBI registered and RBI accredited Credit Rating Agency licensed in 2015. Infomerics Nepal aims to provide investors with objective analysis and evaluation of credit worthiness of Banks, NBFCs, Large Corporates and Small and Medium Scale Units (SMUS) via its rating and grading services. Thus, it is playing a key role in serving the financial markets by reducing the information asymmetry among varied lenders and investors and facilitating borrowers/issuers to various fundraising opportunities/avenues. Infomerics observes and maintains ethical standards in its activities. For more information, visit <https://infomericsnepal.com/>

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