

September 30, 2024

## Nandi Irrigation Systems Limited: Continues to remain under issuer Non-Cooperating category, Rating downgraded based on best available information

### Summary of rating action

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	6.00	6.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]B (Stable); ISSUER NOT COOPERATING and continues to remain under 'Issuer Not Cooperating' category.
Short Term-Non Fund Based- Others	3.00	3.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]A4 ; ISSUER NOT COOPERATING and continues to remain under 'Issuer Not Cooperating' category.
Long Term/Short Term-Unallocated	3.00	3.00	[ICRA]D; ISSUER NOT COOPERATING / [ICRA]D; ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]B (Stable) ISSUER NOT COOPERATING / [ICRA]A4 ISSUER NOT COOPERATING and continues to remain under 'Issuer Not Cooperating' category.
<b>Total</b>	<b>12.00</b>	<b>12.00</b>	

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

<sup>^</sup>Instrument details are provided in Annexure-1

### Rationale

#### Material event

There is public announcement by Insolvency and Bankruptcy Board of India (IBBI) on September 20, 2024. Rishabh TriExim LLP has made an application in IBBI against Nandi Irrigation Systems Limited. The IBBI has mentioned March 19, 2025 as the estimated date closure of insolvency resolution process.

#### Impact of material event

The amount and nature of claim made by Rishabh TriExim LLP is uncertain.

The rating is based on limited information on the entity's performance since the time it was last rated in February 2024. 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".

ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity. The rating action has been taken in accordance with ICRA's policy in respect of non-cooperation by a rated entity available at [www.icra.in](http://www.icra.in).

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

## Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">Policy In Respect of Non-Cooperation by a Rated Entity</a> <a href="#">Policy on default recognition</a> <a href="#">Chemicals</a>
Parent/Group Support	NA
Consolidation/Standalone	Standalone

## About the company

Nandi Irrigation Systems Limited (NISL) was incorporated in 2007 and is promoted by Mr. Sajjala Sreedhar Reddy. The company is engaged in the manufacturing of Polyvinyl-Chloride (PVC) pipes, lateral pipes and sprinklers used in irrigation. NISL has its plant located in Nandyal, Kurnool district of Andhra Pradesh and is a part of the Nandi group of Industries based out of Andhra Pradesh. The group is having diversified business interest such as cement, dairy, PVC pipes, construction etc.

**Status of non-cooperation with previous CRA: NA**

**Any other information: None**

## Rating history for past three years

	Instrument	Current Rating (FY2025)			Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2021
				Sep 30, 2024	Feb 22, 2023	Dec 19, 2022	Nov 18, 2021
1	Long Term-Fund Based-Cash Credit	Long-Term	6.00	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]B (Stable); ISSUER NOT COOPERATING	[ICRA]B (Stable); ISSUER NOT COOPERATING	[ICRA]B (Stable); ISSUER NOT COOPERATING
2	Short Term-Non Fund Based-Others	Short Term	3.00	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING
	Long Term/Short Term-Unallocated	Long Term/Short Term	3.00	[ICRA]D; ISSUER NOT COOPERATING / [ICRA]D; ISSUER NOT COOPERATING	[ICRA]B (Stable); ISSUER NOT COOPERATING / [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B (Stable); ISSUER NOT COOPERATING / [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B (Stable); ISSUER NOT COOPERATING / [ICRA]A4; ISSUER NOT COOPERATING

## Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Non Fund Based	Very Simple
Unallocated Limits	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

## Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	-	11.20%	-	6.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Non Fund Based	-		-	3.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Unallocated Limits	-		-	3.00	[ICRA]D; ISSUER NOT COOPERATING / [ICRA]D; ISSUER NOT COOPERATING

Source: Nandi Irrigation Systems Limited

## Annexure-2: List of entities considered for consolidated analysis: Not Applicable.

## ANALYST CONTACTS

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### Branches



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