

Partap Industries Limited

August 19, 2022

Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	35.13	CARE BB; Stable; ISSUER NOT COOPERATING* (Double B; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
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	39.13 (Rs. Thirty-Nine Crore and Thirteen Lakhs Only)		

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated June 02, 2021, placed the rating(s) of Partap Industries Limited (PIL) under the 'issuer non-cooperating' category as PIL 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. PIL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 18, 2022, April 28, 2022, May 08, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'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).

Detailed description of the key rating drivers

Please refer to PR dated [June 02, 2021](#)

Analytical approach: Combined. The financial and business risk profiles of Partap Industries Limited (PIL) and Sudarshan Jeans Private Limited (SJPL) have been combined.

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

PIL belongs to the 28-year-old Sudarshan group with business interest in textile and tyre manufacturing, through its group concerns, viz. PIL, Sudarshan Jeans Private Limited (SJPL; rated 'CARE BB; Stable/CARE A4; Issuer Not Cooperating') and Sudarshan Auto Industries Private Limited (SAIPL). The group has one of the largest denim capacities in India. PIL and SJPL are engaged in the textile industry with cotton yarn, denim fabric and terry towel in its product portfolio. SAIPL is engaged in tyre manufacturing.

Combined Brief Financials (Rs. crore)	FY20(UA)	FY21(UA)	FY22(Prov.)	Q1FY23(Prov.)
Total operating income	902.50	900.82	NA	NA
PBILDT	82.75	106.21	NA	NA
PAT	13.42	19.20	NA	NA
Overall gearing (times)	1.16	0.81	NA	NA
Interest coverage (times)	4.03	4.50	NA	NA

UA – Unaudited, Prov. Provisional, NA – Not Available

¹Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE Ratings Ltd.'s publications

*Issuer did not cooperate; Based on best available information

Brief Financials (Rs. crore) - PIL	FY20(A)	FY21(A)	FY22(Prov.)	Q1FY23(Prov.)
Total operating income	343.54	301.36	NA	NA
PBILDT	31.24	36.93	NA	NA
PAT	5.66	12.55	NA	NA
Overall gearing (times)	0.51	0.31	NA	NA
Interest coverage (times)	4.15	6.85	NA	NA

A - Audited, Prov. Provisional, NA – Not Available

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Please refer Annexure 3

Complexity level of various instruments rated for this Company: Please refer Annexure 4

Annexure-1: Details of Instruments/ Facilities

Name of the Instrument	ISI N	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	March-2019	26.23	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	8.90	CARE BB; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	3.00	CARE A4; ISSUER NOT COOPERATING*
Fund-based - ST-Bill Discounting/ Bills Purchasing		-	-	-	1.00	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 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	26.23	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (02-Jun-21)	-	1)CARE BB+; ISSUER NOT COOPERATING* (03-Mar-20)
2	Fund-based - LT-Cash Credit	LT	8.90	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (02-Jun-21)	-	1)CARE BB+; ISSUER NOT COOPERATING* (03-Mar-20)
3	Non-fund-based - ST-Bank Guarantee	ST	3.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (02-Jun-21)	-	1)CARE A4+; ISSUER NOT COOPERATING* (03-Mar-20)
4	Fund-based - ST-Bill Discounting/ Bills Purchasing	ST	1.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (02-Jun-21)	-	1)CARE A4+; ISSUER NOT COOPERATING* (03-Mar-20)

*Issuer did not cooperate; based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities - 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	Fund-based - LT-Term Loan	Simple
3	Fund-based - ST-Bill Discounting/ Bills Purchasing	Simple
4	Non-fund-based - ST-Bank Guarantee	Simple

Annexure 5: Bank Lender Details for this Company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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