

Partap Industries Limited

June 10, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	35.13	CARE BB-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB; Stable
Short Term Bank Facilities	4.00	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated October 10, 2023, 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 June 03, 2024, June 04, 2024 and June 07, 2024

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).

The ratings have been revised on account of non-availability of requisite information. The revision also considers the decline in scale of operations and operating profitability as well as an increase in overall debt and deterioration in debt coverage indicators during FY24 compared to FY23.

Analytical approach: Standalone

Revised from Combined approach; Earlier CARE has taken a combined view on Partap Industries Limited (PIL) and Sudarshan Jeans Private Limited (SJPL). The companies have similar line of operations; operate under the same management and operational linkages by way of intergroup transaction. However, updated information is not available to ascertain financial linkages that warrant a continuation of combined approach.

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [October 10, 2023](#)

Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

[Rating Outlook and Credit Watch](#)

[CARE Ratings' criteria on consolidation & combined approach](#)

About the company

PIL (ISIN: INE480Y01016) 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 and Sudarshan Auto Industries Private Limited (SAIPL). The group has one of the largest denim capacities in India. Company is primarily in to manufacturing of Cotton Yarn, Denim Fabric & Terry Towel.

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

Brief Financials (Rs. crore)	March 31, 2022 (A)	March 31, 2023 (A)	March 31, 2024 (A)*
Total operating income	426.23	386.07	278.58
PBILDT	57.89	31.70	5.65
PAT	33.44	21.27	23.51 [^]
Overall gearing (times)	0.16	0.03	0.20
Interest coverage (times)	20.88	19.03	3.39

A: Audited; *Abridged; [^]considering deferred tax asset of Rs. 20.63 crore; Note: 'the above results are latest financial results 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: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	8.90	CARE BB-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	March 2019	26.23	CARE BB-; Stable; ISSUER NOT COOPERATING*
Fund-based - ST-Bill Discounting/ Bills Purchasing		-	-	-	1.00	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	3.00	CARE A4; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument / Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term Loan	LT	26.23	CARE BB-; Stable; ISSUER NOT COOPERATING *	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (10-Oct-23)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (19-Aug-22)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (02-Jun-21)
2	Fund-based - LT-Cash Credit	LT	8.90	CARE BB-; Stable; ISSUER NOT COOPERATING *	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (10-Oct-23)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (19-Aug-22)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (02-Jun-21)
3	Non-fund-based - ST-Bank Guarantee	ST	3.00	CARE A4; ISSUER NOT COOPERATING *	-	1)CARE A4; ISSUER NOT COOPERATING* (10-Oct-23)	1)CARE A4; ISSUER NOT COOPERATING* (19-Aug-22)	1)CARE A4; ISSUER NOT COOPERATING* (02-Jun-21)
4	Fund-based - ST-Bill Discounting / Bills Purchasing	ST	1.00	CARE A4; ISSUER NOT COOPERATING *	-	1)CARE A4; ISSUER NOT COOPERATING* (10-Oct-23)	1)CARE A4; ISSUER NOT COOPERATING* (19-Aug-22)	1)CARE A4; ISSUER NOT COOPERATING* (02-Jun-21)

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

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the 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: Lender details

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

Note on the complexity levels of the rated instruments: CARE Ratings 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.

Contact us

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About us:

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