

## Suditi Industries Limited

November 28, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	27.00	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Downgraded from CARE B; Stable
Short Term Bank Facilities	1.00	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 November 23, 2023, placed the rating(s) of Suditi Industries Limited (SIL) under the 'issuer non-cooperating' category as SIL had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. SIL continues to be non-cooperative despite repeated requests for submission of information through e-mails dated October 08, 2024, October 18, 2024 and October 28, 2024 among others.

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 assigned to the bank facilities of SIL have been revised on account of non-availability of requisite information. The revision also considers the decline in scale of operations during FY24 compared the FY23 and continued losses reported over the past three years as well as H1FY25.

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers:

Please refer to PR dated [November 23, 2023](#)

### Applicable criteria

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

[Policy on Default Recognition](#)

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

### About the company

Incorporated in 1991 by Mr. Pawan Agarwal, SIL (erstwhile Suditi Hosiery Processors Limited, changed name to Suditi Industries Limited (SIL) in October 1994) is engaged in processing of fabrics and manufacturing & retailing of Readymade garments (RMG) & apparels. SIL derives majority of revenues from processing of fabrics comprising local sales as well as on job-work basis. It also manufactures casual wear, sportswear and active wear for men, women and kids, which are catered to large retailers under their brand names. On the other hand, it outsources the manufacturing of casual fashion wear for men and women, which is marketed under its own brand "Riot". Moreover, it also outsources the manufacturing of licensed clothing line consisting of fashion apparels for men, for various international clubs, using their brand logo on the said clothing. Moreover, in March 2015, it incorporated a subsidiary named Suditi Design Studio Limited (SDSL) engaged in manufacturing & retailing of women ethnic & fusion wear under its own brand "Indianink" which is marketed through LFSs own online portal as well as other online stores. The processing unit of the company is located at Turbhe in Navi Mumbai.

<sup>1</sup>Complete definition of ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Limited's publications.

Brief Financials (Rs. crore)	March 31, 2022 (A)	March 31, 2023 (A)	March 31, 2024 (A)	H1FY25 (UA)
Total operating income	98.41	92.43	59.65	31.10
PBILDT	-17.30	-19.32	-11.12	-0.74
PAT	-29.00	-10.53	-11.85	-2.48
Overall gearing (times)	NM	0.67	4.51	NM
Interest coverage (times)	NM	NM	NM	NM

A: Audited; UA: Unaudited; NM: Not Meaningful; 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:** Annexure-2

**Covenants of rated instrument/facility:** 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 and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	27.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	1.00	CARE A4; ISSUER NOT COOPERATING*

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

#### Annexure-2: Rating history for 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-Cash Credit	LT	27.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (23-Nov-23)	1)CARE B; Stable; ISSUER NOT COOPERATING* (28-Nov-22)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (07-Sep-21)
2	Non-fund-based - ST-Letter of credit	ST	1.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (23-Nov-23)	1)CARE A4; ISSUER NOT COOPERATING* (28-Nov-22)	1)CARE A4; ISSUER NOT COOPERATING* (07-Sep-21)

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

LT: Long term; ST: Short term

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities:** Not Applicable

**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-Letter of credit	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](mailto:care@careedge.in) for any clarifications.

## Contact us

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**About us:**

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