

P. Patel Ship Breaking Company

June 27, 2022

Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	2.00	CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable; (Single B; Outlook: Stable)
Short Term Bank Facilities	72.42	CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Facilities	74.42 (Rs. Seventy- Four Crore and Forty-Two Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated April 30, 2021, placed the rating(s) of P. Patel Ship Breaking Company (PPSBC) under the 'issuer non-cooperating' category as PPSBC 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. PPSBC continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 16, 2022, March 26, 2022, April 05, 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).

The ratings assigned to the bank facilities of PPSBC have been revised on account of non-availability of requisite information.

Detailed description of the key rating drivers

Please refer to PR dated [April 30, 2021](#)

Analytical approach: Combined view of Alang Ship Breaking Corp. (ASBC) and P. Patel Ship Breaking Company (PPSBC). For the purpose of analysis, CARE has considered a combined view for two entities of the group, viz., Alang Ship Breaking Corp. (ASBC) and P. Patel Ship Breaking Company (PPSBC) (referred as Alang Patel Group (APG)) due to their operational, financial and managerial linkages. Further, the promoters of the both the entities are family members.

Applicable Criteria

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

[Policy on default recognition](#)

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

About the Firm

P. Patel Ship Breaking Company (PPSBC) is a partnership firm engaged in ship-breaking activity in the Alang-Sosiya belt of Bhavnagar region in Gujarat. Its group concern, Alang Ship Breaking Corp. a partnership firm, is also engaged in ship breaking activity in the same region. The partners of both the firms are family members and have experience of more than two decades in the ship breaking industry.

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) – Combined	FY20(A)	FY21(A)	FY22(Prov.)
Total operating income	NA	NA	NA
PBILDT	NA	NA	NA
PAT	NA	NA	NA
Overall gearing (times)	NA	NA	NA
Interest coverage (times)	NA	NA	NA

A: Audited; Prov.: Provisional; NA: Not Available

Brief Financials (Rs. crore) – Standalone	FY20(A)	FY21(A)	FY22(Prov.)
Total operating income	NA	NA	NA
PBILDT	NA	NA	NA
PAT	NA	NA	NA
Overall gearing (times)	NA	NA	NA
Interest coverage (times)	NA	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: Annexure-3

Complexity level of various instruments rated for this firm: Annexure-4

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	IS IN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	2.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	72.42	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			Date(s) and Rating(s) assigned in 2022-2023	Rating history		
		Type	Amount Outstanding (Rs. crore)	Rating		Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	2.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (30-Apr-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (22-May-20)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (01-Jul-19)
2	Non-fund-based - ST-Letter of credit	ST	72.42	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (30-Apr-21)	1)CARE A4; ISSUER NOT COOPERATING* (22-May-20)	1)CARE A4+; ISSUER NOT COOPERATING* (01-Jul-19)

*Issuer did not cooperate; Based on best available information

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

Annexure 4: Complexity level of various instruments rated for this firm:

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-Letter of credit	Simple

Annexure 5: Bank Lender Details for this Firm

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 Limited:

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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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