

## Press Release

### Induro Lifestyle Resources Private Limited

December 20, 2022



### Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	20.12	ACUITE B+   Reaffirmed   Issuer not co-operating*	-
Bank Loan Ratings	3.75	-	ACUITE A4   Reaffirmed   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	23.87	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 23.87 crore bank facilities of Induro Lifestyle Resources Private Limited (ILPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

### About the Company

ILPL was incorporated in 2008 by Mr. Kishan Kumar. At present, the company is managed by Mr. Kishan Kumar and Mrs. Panna Kishen Jain. The company is engaged in manufacturing of denim and non-denim bottoms for men, women and kids. The company has two manufacturing units and a washing unit in Bangalore. The unit I has size of around 40,000 sq. Ft. and unit II of 4,000 sq. ft. The installed production capacity of the ILPL is around 15,00,000 units per annum, whereas it is utilised at about 82 per cent in FY2019. The Company's products are sold under the brand names of Lee, Wrangler, US Polo, Flying Machine, Ed Hardy, Cherokee, Vee Dot, and Louis Phillipe.

### Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

### Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit

rating is based.

### Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

### Material Covenants

None

### Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

### Outlook

Not Applicable

### Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	34.20	9.37
PAT	Rs. Cr.	(2.86)	(0.39)
PAT Margin	(%)	(8.37)	(4.12)
Total Debt/Tangible Net Worth	Times	(1.88)	(3.48)
PBDIT/Interest	Times	(1.11)	1.29

### Status of non-cooperation with previous CRA

None

### Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

### Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

### Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in)

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
24 Sep	Standby Line of Credit	Short Term	1.75	ACUITE A4 ( Issuer not co-operating*)
	Term Loan	Long Term	2.30	ACUITE B+ ( Issuer not co-operating*)
	Term Loan	Long Term	0.11	ACUITE B+ ( Issuer not co-operating*)
	Channel Financing	Long Term	2.00	ACUITE B+ ( Issuer not co-operating*)

2021	Bills Discounting	Short Term	2.00	ACUITE A4 ( Issuer not co-operating*)
	Proposed Long Term Facility	Long Term	1.00	ACUITE B+ ( Issuer not co-operating*)
	Term Loan	Long Term	0.06	ACUITE B+ ( Issuer not co-operating*)
	Cash Credit	Long Term	14.65	ACUITE B+ ( Issuer not co-operating*)
01 Jul 2020	Term Loan	Long Term	0.11	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Bills Discounting	Short Term	2.00	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	2.30	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Channel Financing	Long Term	2.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	1.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Standby Line of Credit	Short Term	1.75	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	0.06	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	14.65	ACUITE B+ (Downgraded and Issuer not co-operating*)
22 Apr 2019	Cash Credit	Long Term	14.65	ACUITE BB-   Stable (Reaffirmed)
	Channel Financing	Long Term	2.00	ACUITE BB-   Stable (Assigned)
	Term Loan	Long Term	0.06	ACUITE BB-   Stable (Reaffirmed)
	Term Loan	Long Term	0.11	ACUITE BB-   Stable (Reaffirmed)
	Term Loan	Long Term	2.30	ACUITE BB-   Stable (Reaffirmed)
	Bills Discounting	Short Term	2.00	ACUITE A4+ (Reaffirmed)
	Standby Line of Credit	Short Term	1.75	ACUITE A4+ (Assigned)
	Proposed Short Term Bank Facility	Short Term	1.00	ACUITE A4+ (Assigned)
24 Jan 2019	Cash Credit	Long Term	12.65	ACUITE BB- (Issuer not co-operating*)
	Term Loan	Long Term	0.57	ACUITE BB- (Issuer not co-operating*)
		Long		
	Term Loan	Term	0.11	ACUITE BB- (Issuer not co-operating*)
	Bills Discounting	Short Term	2.14	ACUITE A4+ (Issuer not co-operating*)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Bills Discounting	Not Applicable	Not Applicable	Not Applicable	Simple	2.00	ACUITE A4   Reaffirmed   Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	14.65	ACUITE B+   Reaffirmed   Issuer not co-operating*
State Bank of India	Not Applicable	Channel/Dealer/Vendor Financing	Not Applicable	Not Applicable	Not Applicable	Simple	2.00	ACUITE B+   Reaffirmed   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	1.00	ACUITE B+   Reaffirmed   Issuer not co-operating*
State Bank of India	Not Applicable	Stand By Line of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	1.75	ACUITE A4   Reaffirmed   Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	0.06	ACUITE B+   Reaffirmed   Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	0.11	ACUITE B+   Reaffirmed   Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	2.30	ACUITE B+   Reaffirmed   Issuer not co-operating*

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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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