

Press Release

Zip Industries Limited

July 28, 2021



Rating Update

Total Bank Facilities Rated*	Rs.11.38 Cr.#
Long Term Rating	ACUITE B+ Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

*Refer Annexure for details

**The issuer did not co-operate; based on best available information.

Acuité has reviewed 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.11.38 crore bank facilities of Zip Industries Limited (ZIL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

The Chennai based ZIL, established in 1956 is part of the Jhavar Group promoted by Mr. Parthiban Dhanapal, Mr. Raman Subramanian and Mr. Sanjay Harigopal Jhaver. The company is engaged in the manufacturing of zippers (nylon, concealed, moulded, metal, plastic etc) and sells the same under the 'ZEE' brand name

Non-cooperation by the issuer/borrower: Acuité 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.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure sector Entities- <https://www.acuite.in/view-rating-criteria-51.htm>

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). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

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

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

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

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.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
27-Apr-2020	Term Loan	Long Term	0.55	ACUITE B+ (Downgraded from ACUITE BB-/ Stable) Issuer not co-operating*
	Cash Credit	Long Term	4.00	ACUITE B+ (Downgraded from ACUITE BB-/ Stable) Issuer not co-operating*
	Cash Credit	Long Term	2.50	ACUITE B+ (Downgraded from ACUITE BB-/ Stable) Issuer not co-operating*
	Bills Discounting	Long Term	0.50	ACUITE B+ (Downgraded from ACUITE BB-/ Stable) Issuer not co-operating*
	Packing Credit	Long Term	0.75	ACUITE B+ (Downgraded from ACUITE BB-/ Stable) Issuer not co-operating*
	Bank Guarantee	Short Term	3.00	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*
	Proposed Long Term Loan	Long Term	0.08	ACUITE B+ (Downgraded from ACUITE BB-/ Stable) Issuer not co-operating*
18-Feb-2019	Term Loan	Long Term	0.55	ACUITE BB-/ Stable (Reaffirmed)
	Cash Credit	Long Term	4.00	ACUITE BB-/ Stable (Reaffirmed)
	Cash Credit	Long Term	2.50	ACUITE BB-/ Stable (Reaffirmed)
	Bills Discounting	Long Term	0.50	ACUITE BB-/ Stable (Reaffirmed)
	Packing Credit	Long Term	0.75	ACUITE BB-/ Stable (Reaffirmed)
	Bank Guarantee	Short Term	3.00	ACUITE A4+ (Reaffirmed)
	Proposed Long Term Loan	Long Term	0.08	ACUITE BB-/ Stable (Reaffirmed)
05-Feb-2018	Term Loan	Long Term	0.55	ACUITE BB-/ Stable (Upgraded from ACUITE B+/ Stable)
	Cash Credit	Long Term	4.00	ACUITE BB-/ Stable (Upgraded from ACUITE B+/ Stable)
	Cash Credit	Long Term	2.50	ACUITE BB-/ Stable (Upgraded from ACUITE B+/ Stable)

	Bills Discounting	Long Term	0.50	ACUITE BB-/ Stable (Upgraded from ACUITE B+/ Stable)
	Packing Credit	Long Term	0.75	ACUITE BB-/ Stable (Upgraded from ACUITE B+/ Stable)
	Bank Guarantee	Short Term	3.00	ACUITE A4+ (Upgraded from ACUITE A4)
	Proposed Long Term Loan	Long Term	0.08	ACUITE BB-/ Stable (Upgraded from ACUITE B+/ Stable)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Term Loan	Not Available	Not Available	Not Available	0.55	ACUITE B+ Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE B+ Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.50	ACUITE B+ Issuer not co-operating*
Bills Discounting	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE B+ Issuer not co-operating*
Packing Credit	Not Applicable	Not Applicable	Not Applicable	0.75	ACUITE B+ Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE A4 Issuer not co-operating*
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	0.08	ACUITE B+ Issuer not co-operating*

*The issuer did not co-operate; based on best available information.

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About Acuité Ratings & Research:

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