

Press Release

Pratap Synthetics Limited

December 03, 2021



Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Initial Quantum (Rs. Cr.)	Net Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	4.50	4.50		ACUITE A4+ Reaffirmed Issuer not co-operating*
Bank Loan Ratings	28.00	28.00	ACUITE BB- Downgraded Issuer not co-operating*	
Total	-	32.50	-	-

Rating Rationale

Acuité has downgraded the long term rating to '**ACUITE BB-**' (**read as ACUITE double B minus**) from '**ACUITE BB**' (**read as ACUITE double B**) and reaffirmed the short term rating to '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs. 32.50 crore bank facilities of Pratap Synthetics Limited (PSL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

PSL, incorporated in 1984, is a West Bengal-based manufacturing unit promoted by Mr. Jagdish Chandra Agarwal, Mr. Sunil Agarwal and Mr. Shyam Sunder Jindal. The company is engaged in the manufacture of polypropylene woven fabrics and sacks with a current installed capacity of 7537.50 MTPA.

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.

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

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.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

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

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
02 Sep 2020	Letter of Credit	Short Term	4.50	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	12.50	ACUITE BB (Downgraded and Issuer not co-operating*)
	Proposed Term Loan	Long Term	8.56	ACUITE BB (Downgraded and Issuer not co-operating*)
	Proposed Cash Credit	Long Term	2.59	ACUITE BB (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	4.35	ACUITE BB (Downgraded and Issuer not co-operating*)
11 Jun 2019	Letter of Credit	Short Term	4.50	ACUITE A4+ (Issuer not co-operating*)
	Proposed Term Loan	Long Term	8.56	ACUITE BB+ (Issuer not co-operating*)
	Cash Credit	Long Term	12.50	ACUITE BB+ (Issuer not co-operating*)
	Proposed Cash Credit	Long Term	2.59	ACUITE BB+ (Issuer not co-operating*)
	Term Loan	Long Term	4.35	ACUITE BB+ (Issuer not co-operating*)
17 Mar 2018	Cash Credit	Long Term	12.50	ACUITE BB+ (Issuer not co-operating*)
	Term Loan	Long Term	4.35	ACUITE BB+ (Issuer not co-operating*)
	Proposed Term Loan	Long Term	8.56	ACUITE BB+ (Issuer not co-operating*)
	Proposed Cash Credit	Long Term	2.59	ACUITE BB+ (Issuer not co-operating*)
	Letter of Credit	Short Term	4.50	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	12.50	ACUITE BB+ Stable (Assigned)

20 Dec 2016	Term Loan	Long Term	4.35	ACUITE BB+ Stable (Assigned)
	Proposed Long Term Loan	Long Term	8.56	ACUITE BB+ Stable (Assigned)
	Proposed Cash Credit	Long Term	2.59	ACUITE BB+ Stable (Assigned)
	Letter of Credit	Short Term	4.50	ACUITE A4+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Initial Quantum (Rs. Cr.)	Net Quantum (Rs. Cr.)	Rating
Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	12.50	12.50	ACUITE BB- Downgraded Issuer not co-operating*
Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	4.50	4.50	ACUITE A4+ Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.59	2.59	ACUITE BB- Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	8.56	8.56	ACUITE BB- Downgraded Issuer not co-operating*
Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	4.35	4.35	ACUITE BB- Downgraded Issuer not co-operating*

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About Acuité Ratings & Research

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 8,850 credit 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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