



Press Release
Praful Overseas Private Limited
September 08, 2023

Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	67.50	ACUITE BB+ Downgraded Issuer not co-operating*	-
Bank Loan Ratings	76.50	-	ACUITE A4+ Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	144.00	-	-

Rating Rationale

Acuite has downgraded its long term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**)' from **Acuite BBB-** (Read as **Acuite Triple B minus**) & short term rating to **ACUITE A4+** '(read as **ACUITE A four plus**)' from **Acuite A3** (Read as **Acuite A Three**) on the Rs. 144.00 crore bank facilities of Praful Overseas Private Limited. This rating is now an indicative rating and is based on best available information. The rating has been downgraded on account of information risk.

About the Company

Praful Overseas Pvt. Ltd. (POPL) was incorporated in 1993 by Aggarwal family. The Surat based company is primarily engaged in production of nylon filament yarn and nylon mono yarn with annual production capacity of 16,800 metric tons. The company also undertakes fabric embroidery work.

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 endeavoured 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 Sensitivities

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

All Covenants

Not Applicable

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	397.69	279.20
PAT	Rs. Cr.	5.46	2.52
PAT Margin	(%)	1.37	0.90
Total Debt/Tangible Net Worth	Times	1.09	1.10
PBDIT/Interest	Times	2.59	2.36

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

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

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite 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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
23 Jun 2022	Covid emergency line	Long Term	0.31	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	1.50	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.75	ACUITE BBB- Stable (Reaffirmed)
	Covid emergency line	Long Term	2.88	ACUITE BBB- Stable (Reaffirmed)
	Covid emergency line	Long Term	3.45	ACUITE BBB- Stable (Reaffirmed)
	Covid emergency line	Long Term	1.75	ACUITE BBB- Stable (Reaffirmed)
	Bank Guarantee	Short Term	6.50	ACUITE A3 (Reaffirmed)
	Covid emergency line	Long Term	4.06	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	1.01	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	7.00	ACUITE BBB- Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	0.68	ACUITE BBB- Stable (Reaffirmed)
	Covid emergency line	Long Term	2.76	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	14.00	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	9.00	ACUITE BBB- Stable (Reaffirmed)
	Covid emergency line	Long Term	5.17	ACUITE BBB- Stable (Reaffirmed)
	Letter of Credit	Short Term	5.00	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	1.00	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	1.13	ACUITE BBB- (Withdrawn)
	Term Loan	Long Term	3.42	ACUITE BBB- Stable (Reaffirmed)
	Letter of Credit	Short Term	17.00	ACUITE A3 (Reaffirmed)
	Letter of Credit	Short Term	17.00	ACUITE A3 (Reaffirmed)
	Term Loan	Long Term	3.18	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	5.58	ACUITE BBB- Stable (Reaffirmed)
	Letter of Credit	Short Term	31.00	ACUITE A3 (Reaffirmed)
	Letter of Credit	Short Term	15.00	ACUITE A3 (Assigned)
	Proposed Bank Facility	Long Term	0.42	ACUITE BBB- Stable (Assigned)
		Short		

13 Apr 2021	Letter of Credit	Term	31.00	ACUITE A3 (Assigned)
	Term Loan	Long Term	6.60	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	1.44	ACUITE BBB- Stable (Assigned)
	Bank Guarantee	Short Term	6.50	ACUITE A3 (Assigned)
	Cash Credit	Long Term	17.10	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	1.00	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	1.58	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	7.22	ACUITE BBB- Stable (Assigned)
	Letter of Credit	Short Term	17.00	ACUITE A3 (Assigned)
	Term Loan	Long Term	9.21	ACUITE BBB- Stable (Assigned)
	Letter of Credit	Short Term	5.00	ACUITE A3 (Assigned)
	Cash Credit	Long Term	10.30	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	1.13	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	13.50	ACUITE BBB- Stable (Assigned)

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	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	6.50	ACUITE A4+ Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	14.00	ACUITE BB+ Downgraded Issuer not co-operating*
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	7.00	ACUITE BB+ Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	9.00	ACUITE BB+ Downgraded Issuer not co-operating*
Indian Overseas Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	1.00	ACUITE BB+ Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Covid Emergency Line.	Not Applicable	Not Applicable	Not Applicable	Simple	5.17	ACUITE BB+ Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Covid Emergency Line.	Not Applicable	Not Applicable	Not Applicable	Simple	2.76	ACUITE BB+ Downgraded Issuer not co-operating*
Punjab National Bank	Not Applicable	Covid Emergency Line.	Not Applicable	Not Applicable	Not Applicable	Simple	3.45	ACUITE BB+ Downgraded Issuer not co-operating*
Punjab National Bank	Not Applicable	Covid Emergency Line.	Not Applicable	Not Applicable	Not Applicable	Simple	1.75	ACUITE BB+ Downgraded Issuer not co-

								operating*
Canara Bank	Not Applicable	Covid Emergency Line.	Not Applicable	Not Applicable	Not Applicable	Simple	4.06	ACUITE BB+ Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	Covid Emergency Line.	Not Applicable	Not Applicable	Not Applicable	Simple	2.88	ACUITE BB+ Downgraded Issuer not co-operating*
Indian Overseas Bank	Not Applicable	Covid Emergency Line.	Not Applicable	Not Applicable	Not Applicable	Simple	0.31	ACUITE BB+ Downgraded Issuer not co-operating*
Punjab National Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	17.00	ACUITE A4+ Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	17.00	ACUITE A4+ Downgraded Issuer not co-operating*
Indian Overseas Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	5.00	ACUITE A4+ Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	31.00	ACUITE A4+ Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	0.68	ACUITE BB+ Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	25 Oct 2016	12.55	31 Oct 2023	Simple	3.42	ACUITE BB+ Downgraded Issuer not co-operating*
								ACUITE BB+

Punjab National Bank	Not Applicable	Term Loan	03 Jul 2017	14.05	31 Oct 2023	Simple	3.18	Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	Term Loan	22 Mar 2017	13.35	31 Dec 2024	Simple	5.58	ACUITE BB+ Downgraded Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	18 Jul 2017	9.50	30 Nov 2022	Simple	1.01	ACUITE BB+ Downgraded Issuer not co-operating*
Siemens Financial Services Pvt. Ltd.	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	1.50	ACUITE BB+ Downgraded Issuer not co-operating*
Siemens Financial Services Pvt. Ltd.	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	0.75	ACUITE BB+ Downgraded 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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