

August 27, 2024

Pepsu Road Transport Corporation: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-Term-Fund Based-Cash Credit	25.00	25.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long-Term-Unallocated	15.00	15.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	40.00	40.00	

*Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the long-term ratings of Pepsu Road Transport Corporation in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B+ (Stable); ISSUER NOT COOPERATING"

As part of its process and in accordance with its rating agreement with Pepsu Road Transport Corporation, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [Click Here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Pepsu Road Transport Corporation (PRTC) was established by the GoP in October 1956 under the provision of the Road Transport Corporations (RTC) Act, 1950 with a view to provide efficient, adequate, economic and properly co-ordinated operation system of Road Transport Services in the southern region (erstwhile PEPSU - Patiala and East Punjab States Union) of Punjab. Apart from providing services in the districts of Patiala, Bathinda, Kapurthala, Barnala, Sangrur, Budhlada, Farid kot and Ludhiana, it also provides interstate services to the neighbouring states of Haryana, Himachal Pradesh, Rajasthan, Jammu & Kashmir, Uttar Pradesh, Uttaranchal, Delhi and Chandigarh. As on September 30, 2020, the PRTC had a fleet strength of 1113, which also includes 150 hired buses. Currently, the PRTC has a total staff of around 3,970, of which around 80% are contractual.

Status of non-cooperation with previous CRA:NA

Any other information: None

Rating history for past three years

Instrument	Current Rating (FY2025)			Chronology of Rating History for the past 3 years		
	Type	Amount Rated (Rs. crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022
			Aug 27, 2024	Jun 28, 2023	Apr 22, 2022	Jan 17, 2022
1 Cash credit	Long Term	25.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
2 Unallocated	Long Term	15.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Unallocated	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analyzing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	25.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	15.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING

Source: Pepsu Road Transport Corporation

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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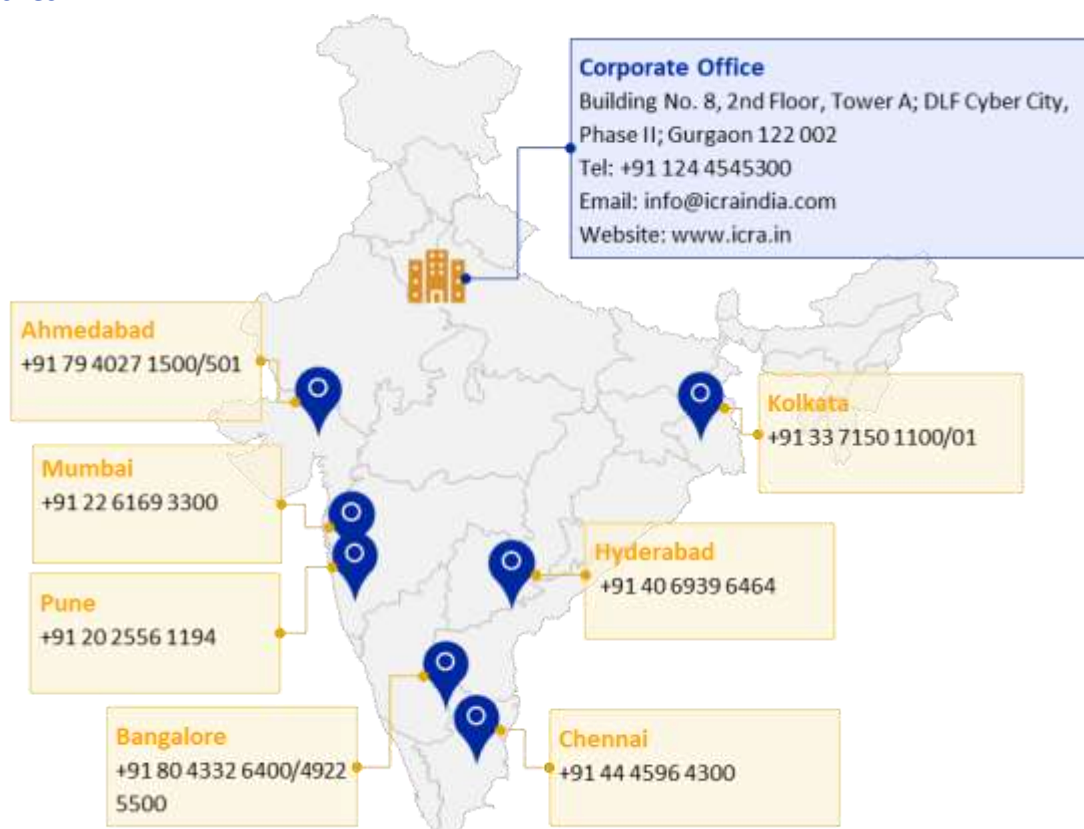


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