

October 22, 2024

Rameswar Udyog Private Limited: 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-Term Loan	34.00	34.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Interchangeable-Others	(4.75)	(4.75)	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Fund Based-Cash Credit	14.75	14.75	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Interchangeable-Others	(14.75)	(14.75)	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Non Fund Based-Others	1.00	1.00	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	49.75	49.75	

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

[^]Instrument details are provided in Annexure-I

Rationale

ICRA has kept the Long-Term and Short-Term ratings of Rameswar Udyog Private Limited in the 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]B+(Stable); ISSUER NOT COOPERATING/[ICRA]A4; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Rameswar Udyog Private Limited, 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: [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 Textiles - Apparels
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Incorporated in 1996, Rameswar Udyog Private Limited (RUPL) is a group company of Nowrangroy Rameswar Group (NRG). NRG was formed by late Rameswar Ajitsaria in 1920. RUPL is primarily engaged in manufacturing and export of industrial garments. Apart from this it was also involved in manufacture of bed sheets and madeups; however on account of high processing cost involved in bed linen division the company has discontinued this division in FY13. Further from FY14 the company has diversified its operations and started exports of cotton yarn on order basis, which is purchased from domestic market. RUPL has its manufacturing facility located in Ahmedabad with the registered office at Kolkata. Rameswar Udyog Private Limited is in the process of installing cotton ring spinning plant having total installed capacity of manufacturing 3365 MTPA of 30s combed Hosiery Yarn by utilizing 18420 spindles. The said expansion will be done in two phases, i.e. in first phase the company will install total 12768 spindles having capacity to manufacture 2355 metric tons of yarn per annum and the same will be operational from June 2016 (i.e. in FY17), while in the second phase the company will install total 5652 spindles having total installed capacity of 1010 metric tons of yarn per annum and the same phase is estimated to get operational from April 2017 (i.e. in FY18).

Key financial indicators:

Standalone	FY 2022 (Rs. In Crore)	FY 2023 (Rs. In Crore)
Operating Income (Rs. crore)	586.37	298.19
PAT (Rs. crore)	21.57	3.13
OPBDITA/OI (%)	7.1%	4.2%
PAT/OI (%)	3.7%	1.0%
Total Outside Liabilities/Tangible Net Worth (times)	1.87	1.60
Total Debt/OPBDITA (times)	2.37	7.73
Interest Coverage (times)	7.07	2.61

PAT: Profit after Tax; OPBDITA: Operating Profit before Depreciation, Interest, Taxes and Amortization

Source: MCA

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	
				22-Oct-2024	29-Aug-2023	01-Jun-2022	23-Apr-2021	
1	Term Loan	Long Term	34.00	[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	Interchangeable	Long Term	(4.75)	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	
3	Cash Credit	Short Term	14.75	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	
4	Interchangeable	Short Term	(14.75)	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	
5	Non Fund Based	Short Term	1.00	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Term Loan	Simple
Interchangeable-Long Term	Simple
Cash Credit	Simple
Interchangeable-Short Term	Very Simple
Non Fund Based	Very Simple

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 analysing 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-I: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Term Loan	-	-	-	34.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Interchangeable-Long Term	-	-	-	(4.75)	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Cash Credit	-	-	-	14.75	[ICRA]A4; ISSUER NOT COOPERATING
NA	Interchangeable-Short Term	-	-	-	(14.75)	[ICRA]A4; ISSUER NOT COOPERATING
NA	Non Fund Based Others	-	-	-	1.00	[ICRA]A4; ISSUER NOT COOPERATING

Source Rameswar Udyog Private Limited

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

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About ICRA Limited:

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