

June 12, 2025

Patton International Limited - Update on Material Event

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term Fund-based—Working Capital Facilities [^]	15.00	15.00	[ICRA]AA- (Stable); outstanding
Short-term Fund-based—Working Capital Facilities [#]	115.00	115.00	[ICRA]A1+; outstanding
Short-term— Non-Fund-based—Working Capital Facilities	30.00	30.00	[ICRA]A1+; outstanding
Total	160.00	160.00	

*Instrument details are provided in Annexure I

[^] Both way interchangeable among cash credit/WCDL and export credit facilities

[#] 100% interchangeable among pre-shipment and post-shipment facilities

Material Event

In a recent announcement dated June 03, 2025, the United States of America (US) has increased the tariff rate on import of steel and aluminium products to 50% from 25% with effect from June 04, 2025. As per the announcement, the higher tariffs are applicable on imports from all countries other than the United Kingdom.

Impact of Material Event

In FY2025, Patton International Limited's (PIL) export revenues accounted for ~92% of its overall revenues wherein the majority of sales was to the US market. As discussed with the management, the impact of this increased duty will be passed on to the end customers, leading to no near-term impact on business. PIL has successfully passed on the impact of the initial tariff hike (to 25%) in February 2025. ICRA will continue to monitor the impact of the increase in tariff on PIL's order book, profitability and take appropriate action as and when required. ICRA understands that company's liquidity position remains comfortable with around Rs. 200 crores of cash & bank balance and liquid investment as on date along with unutilised WC fund-based limits amounting to Rs. 70 crores (around 54% of total limits are free) compared to its nil repayment obligations.

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](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not Applicable
Consolidation/Standalone	The ratings are based on the standalone financial statements of the company

About the company

Incorporated in 1990, Patton International Limited (PIL) manufactures steel/ aluminium/ zinc conduit fittings, which include locknuts, EMT fittings, hangers and clamps among others, essentially used in the real estate and construction industry. The company has two manufacturing facilities in Kolkata (Behala and Garia), one in Falta, and one in Uluberia, in West Bengal.

Almost all the conduit fittings manufactured by the company are exported to the US, while the plastic products are sold in the domestic market.

In October 2023, the National Company Law Tribunal (NCLT) approved Patton International Limited's (transferor company) demerger of its investment portfolio and plastic pipe manufacturing unit at Kodalia, West Bengal by vesting the same into two separate group entities with effect from April 1, 2023.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current (FY2026)			Chronology of rating history for the past 3 years							
	FY2026			FY2025		FY2024				FY2023	
	Type	Amount rated (Rs. crore)	June 12, 2025	Date	Rating	Date	Rating	Date	Rating	Date	Rating
1 Fund-based – Working Capital Facilities [^]	Long term	15.00	[ICRA]AA-(Stable)	13-Mar-2025	[ICRA]AA-(Stable)	07-Mar-2024	[ICRA]AA-(Stable)	10-Apr-2023	[ICRA]AA-(Stable)	-	-
2 Fund-based – Working Capital Facilities [#]	Short term	115.00	[ICRA]A1+	13-Mar-2025	[ICRA]A1+	07-Mar-2024	[ICRA]A1+	10-Apr-2023	[ICRA]A1+	-	-
3 Non-Fund based – Working Capital Facilities	Short term	30.00	[ICRA]A1+	13-Mar-2025	[ICRA]A1+	07-Mar-2024	[ICRA]A1+	10-Apr-2023	[ICRA]A1+	-	-

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Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term fund-based – Working Capital Facilities	Simple
Short-term fund-based – Working Capital Facilities	Simple
Short-term non-fund based – Working Capital Facilities	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 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-I: 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/ WCDL [^]	-	-	-	15.00	[ICRA]AA- (Stable)
NA	EPC/ PCFC/ FBP/FBD/ FUBD/ PSFC [#]	-	-	-	115.00	[ICRA]A1+
NA	Letter of Credit	-	-	-	15.00	[ICRA]A1+
NA	Bank Guarantee	-	-	-	15.00	[ICRA]A1+

Source: Patton International Limited

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[#] 100% interchangeable among pre-shipment and post-shipment facilities

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure-II: List of entities considered for consolidated analysis

Not applicable

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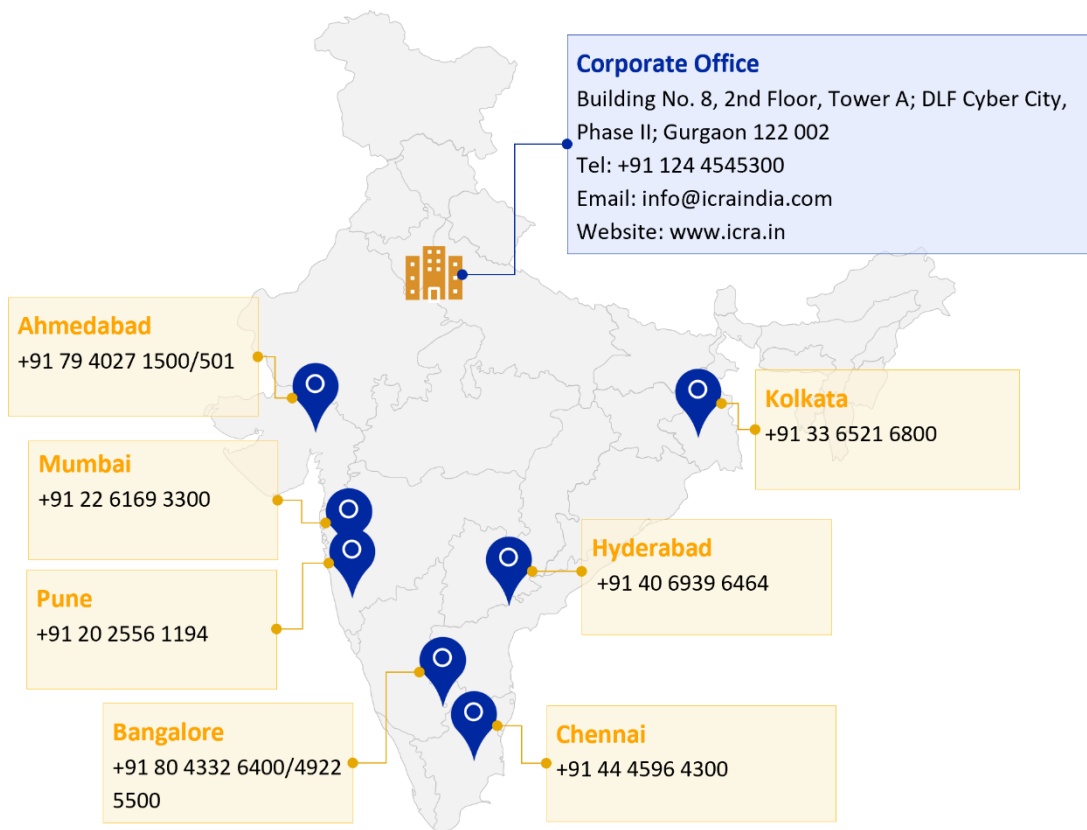
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