August 31, 2023

Tijaria Polypipes Limited: Continues to remain under issuer Non-Cooperating category, Rating downgraded based on best available information

Summary of rating action

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	5.00	5.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]B (Stable) and continues to remain under 'Issuer Not Cooperating' category.
Long Term-Fund Based-Term Loan	56.27	56.27	[ICRA]D; ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]B (Stable) and continues to remain under 'Issuer Not Cooperating' category.
Short Term-Non Fund Based-Others	5.00	5.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]A4 and continues to remain under 'Issuer Not Cooperating' category.
Total	**66.27**	**66.27**	

**Issuer did not cooperate; based on best available information.*
^Instrument details are provided in Annexure-1

Rationale

The rating of Tijaria Polypipes Limited is downgraded as the accounts of the entity have been declared as NPA (Non-Performing Asset) mentioned by the Auditor of the company.

The rating is based on limited information on the entity's performance since the time it was last rated in July 2022. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade".

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 repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity. The rating action has been taken in accordance with ICRA's policy in respect of non-cooperation by a rated entity available at www.icra.in.

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] [Policy on default Recognition]
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Tijaria Polypipes Limited (TPL) was incorporated in 2006 by the conversion of a partnership firm (named Tijaria Overseas Vinyl) which was established in 2000. The company manufactures high-grade HDPE, PVC, MDPE and LDPE plastic pipes and sprinkler systems under the brand names of Tijaria and Vikas. At present, the company has a monthly installed manufacturing capacity of 13000 MT of HDPE pipes, ~6500 MT of PVC pipes, 1000 tonnes for yarn and 3000 MT for blankets. Its products are used in irrigation, telecommunication, industrial, infrastructure and housing sectors. In addition, the company also operates a textile division – wherein it manufactures mink blankets. The manufacturing units of the company is located at Jaipur, Rajasthan.

Key Financial Indicators:

Standalone	FY 2022	FY 2023
Operating Income (Rs. crore)	54.88	13.8
PAT (Rs. crore)	-21.72	-9.5
OPBDITA/OI (%)	-17.1%	-30.9%
PAT/OI (%)	-39.6%	-68.3%
Total Outside Liabilities/Tangible Net Worth (times)	-5.59	-3.5
Total Debt/OPBDITA (times)	-7.37	-17.9
Interest Coverage (times)	-1.11	-2.1

Source: MCA

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2024)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
					Aug 31, 2023	Jul 29, 2022	Apr 05, 2021	-

1	Cash Credit	Long Term	5.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]B (Stable); ISSUER NOT COOPERATING	[ICRA]B (Stable)	-
2	Term Loan	Long Term	56.27	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]B (Stable); ISSUER NOT COOPERATING	[ICRA]B (Stable)	-
3	Non-Fund Based-Others	Short Term	5.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple
Non-Fund Based-Others	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-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	-	-	-	5.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Term Loan	-	-	-	56.27	[ICRA]D; ISSUER NOT COOPERATING
NA	Non-Fund Based-Others	-	-	-	5.00	[ICRA]D; ISSUER NOT COOPERATING

Source: Tijaria Polypipes Limited (TPL)

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

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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